

*To be Foreign Service officers of class 3*

Sherburne Dillingham	Guy W. Ray
C. Burke Elbrick	Arthur L. Richards
William E. Flourney, Jr.	Laurence W. Taylor
Harrison Lewis	Clare H. Timberlake
F. Ridgway Lineaweaver	Jay Walker
Joseph E. Newton	Lee Worley
Maurice Pasquet	

**SECOND ASSISTANT POSTMASTER GENERAL**

Ambrose O'Connell to be Second Assistant Postmaster General, Post Office Department.

**CHIEF OF THE WEATHER BUREAU**

Francis Wilton Reichelderfer to be Chief of the Weather Bureau of the Department of Agriculture.

**WITHDRAWAL**

*Executive nomination withdrawn from the Senate January 16, 1939*

**APPOINTMENT IN THE ARMY**

Wallace Embry Nau to be second lieutenant in the Air Corps, Regular Army.

**HOUSE OF REPRESENTATIVES**

MONDAY, JANUARY 16, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Gracious is the Lord and righteous, yea, our God is merciful. Thou whose presence pervades all space with rays of the divine light, reverently we wait for Thy blessing. Thou who holdest the stars in their courses and fillest the earth with Thy glory, bestow upon us as a people the strength of Thy wisdom and the justice of Thy judgment. Be with us, our Father, and clothe us with the greatest victory of life, which is the conquest of worry and an escape from the corroding stains of envy and hate. Still sound in our ears "be strong and of good courage." Inspire us with the power to expand, seek knowledge, and hold fast to those forces that maintain our Nation. Let Thy kingdom come in all hearts. Help us to think pure thoughts, speak kindly, and do noble deeds. Through Christ our Saviour. Amen.

The Journal of the proceedings of Friday, January 13, 1939, was read and approved.

**MESSAGES FROM THE PRESIDENT**

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Hess, one of his secretaries.

**ADJOURNMENT OVER**

Mr. COOPER. Mr. Speaker, at the request of the majority leader, who is unavoidably detained for the moment, I ask unanimous consent that when the House adjourns today it adjourn to meet on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

**EXTENSION OF REMARKS**

Mr. SHANNON. Mr. Speaker, I ask unanimous consent that I may insert in the Appendix of the Record an address that I made over the radio.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

**PERMISSION TO ADDRESS THE HOUSE**

Mr. CUMMINGS. Mr. Speaker, I ask unanimous consent that on Wednesday next, after the reading of the Journal and disposition of such other business on the Speaker's table, I may be allowed to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

**EXTENSION OF REMARKS**

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my remarks by including a letter from Hon. Frank Murphy, then Governor of Michigan, written in October 1937, and the reply thereto.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

**PERMISSION TO ADDRESS THE HOUSE**

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent that at the conclusion of the remarks of the gentleman from Wisconsin [Mr. GEHRMANN] this morning I may have permission to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

Mr. RANKIN. Mr. Speaker, reserving the right to object, I did not understand the gentleman's request.

The SPEAKER. The gentleman from Vermont asks unanimous consent that at the conclusion of the address of the gentleman from Wisconsin today he may be permitted to address the House for 20 minutes.

Mr. RANKIN. May I inquire on what subject?

Mr. PLUMLEY. On the subject of flood control.

Mr. RANKIN. I have no objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that at the conclusion of the remarks of the gentleman from Vermont [Mr. PLUMLEY] I may be permitted to address the House for 10 minutes on the subject of flood control in New England.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

**THE LATE HONORABLE W. T. FITZGERALD**

Mr. JONES of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JONES of Ohio. Mr. Speaker, on January 13 a distinguished former Member of the House of Representatives, the Honorable W. T. Fitzgerald, passed away at his home in Greenville, Ohio.

I ask leave to revise and extend my remarks to pay appropriate respect.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JONES of Ohio. Dr. Fitzgerald was a Member of the Sixty-ninth and Seventieth Congresses from the Fourth Ohio District. He was born in Greenville, Darke County, Ohio, on October 13, 1858. He was educated in the Greenville schools, National Normal University, and Wooster University Medical School.

He practiced medicine in Greenville until elected to Congress, and resumed that practice in the same city after leaving Congress. He was one of the most conscientious men that ever sat in the Halls of Congress.

He had a special interest in the soldiers' welfare and became chairman of the Pension Committee.

For a number of years Dr. Fitzgerald had been in failing health, and death relieved his suffering Friday morning, January 13, 1939.

**STATEMENT WITH RESPECT TO VOTE**

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BYRNE of New York. Mr. Speaker, on Friday morning I made reservations at Albany, N. Y., for a plane which would leave Albany at 1:40 p. m. and arrive in Washington at 4:30 p. m., so that I might vote on the relief bill. The plane arrived at Newark and was there grounded because of the storm, making it impossible for me to get here except by train out of Newark at 3:45 p. m. When I arrived the House had adjourned. Had I been here, I would have voted in favor of the relief bill.

#### PERMISSION TO ADDRESS THE HOUSE

The SPEAKER. Under the special order of the House heretofore made, the gentleman from Wisconsin [Mr. GEHRMANN] is recognized for 10 minutes.

Mr. GEHRMANN. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes, making my time in all 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. GEHRMANN. Mr. Speaker, my purpose in desiring to address the House at this time is to say a few words in behalf of the dairy farmer. During the past month newspapers have carried accounts of a plan whereby a large quantity of surplus American wheat is to be distributed to the starving people of Spain and China. I certainly have no objection to this. I think it is a worthy cause, but I know and you know that we have a huge surplus of dairy products. Certainly children need some food other than wheat. I see no reason why they should not send some of this surplus milk and other dairy products along with the wheat, and it is along these lines that I shall talk to you today. Let the Red Cross distribute surplus dairy products.

According to these accounts, 20,000 barrels of bran flour were shipped in November and 7,000 barrels of wheat flour in December. This wheat, according to news accounts, was sold by the Federal Surplus Commodities Corporation to the Red Cross for a purely nominal sum. More recently, shipments have been made of 170,000 bushels of hard wheat to Spain and a large quantity of cracked wheat to China, this wheat having been sold for one-half the market price.

I am not criticizing these shipments. According to an article in the January 8 issue of the Washington Star, there are 450,000,000 bushels of wheat produced in 1938 that are not needed in the wheat markets of the world. Since this is the case, surely no one can advance any argument against distributing that wheat free to the people of those countries harassed by wars, where the people have been left helpless and unable to feed themselves. Certainly no better use could be made of this wheat than to help the people of Spain and China save their lives in the face of impending starvation.

If I have any criticism to offer, it is that we have been so slow in taking cognizance of the desperate plight that confronts these people. It does not seem to me that in years gone by the people of this country would have been so indifferent to suffering in other parts of the world. As far back as I can remember, the American people have always responded generously when some other part of the world has been struck by disaster. Even after the World War, when a psychology of hysteria and hatred had been built up against the people of some foreign countries, the spirit of generosity still lived.

It will be remembered that an American citizen who had been highly successful in a business way built for himself in the United States and throughout the world a reputation as a great humanitarian because of the splendid manner in which he handled our relief activities abroad. During the period beginning shortly after the war, Herbert Hoover served on many committees and worked for the relief of thousands of people in Belgium, Poland, Germany, Russia, and other countries in central Europe. Large sums of money were spent at that time by private organizations like the Society of Friends and the Red Cross, but what was perhaps more important, the Congress of the United States set up

the American Relief Administration, which, while not a Government agency, was instrumental in distributing extensive relief, made possible by the generosity of the United States Congress.

There can be no question but that millions of people are alive in Europe today who would inevitably have died had it not been for the generosity of our own Government and our citizens.

#### WHY NOT SEND DAIRY PRODUCTS AS WELL AS WHEAT?

If the Surplus Commodities Corporation is to sell wheat to the Red Cross for a purely nominal sum, or to other private relief agencies at half price, why should not the Corporation transfer dairy products to the Red Cross and other organizations on the same basis? Not long ago, a relief ship left here carrying 170,000 bushels of hard wheat. Experts in nutrition estimate that to feed children properly, each 6 pounds of wheat ought to have been accompanied by 1 pound of milk.

If we are to try to take care of small children, any mother knows that wheat is not enough. What is needed to take care of the children in war-torn countries is not so much wheat as butter, milk, and other dairy products. If we are to do the job, we ought to do it so it will be effective. Every man or woman who has raised a family knows that small children cannot get along on just wheat alone, and that is pretty much all that has gone in the relief shipments.

During our relief activities following the World War, we sent out large shipments of lard, dry milk, and food products other than wheat, recognizing that people suffering from malnutrition stood in greater need of a balanced diet than people whose health was still sound.

But in arguing for the shipment of dairy products, I am not only concerned about the children in these war-mad countries, but I am very much concerned about our own American children, as well as the plight of the dairy farmers of this country.

#### OUR OWN CHILDREN MUST COME FIRST

When I advocate that dairy products should be turned over to the Red Cross to be distributed to starving and undernourished children of warring countries, I at all times realize that we are doing a mighty poor job of taking care of our own needy.

Several eminent health and nutrition authorities have released articles showing that at the present time not much over one-third the amount of fluid milk is consumed by children that experts deem necessary to develop a healthy body. In other words, the best insurance that our children of today will develop into strong, healthy men and women of tomorrow is to make it possible for all underprivileged to receive all the milk necessary to build bone and muscle to develop a race as robust and healthy as any in the world.

Many families with six to eight children now are forced to get along with 1 quart of milk a day when they should have at least five or six. If the needed milk were made available to these children, we would not have these high surpluses, and I would not be pleading to send dairy products out of this country, because our present cow population could not produce enough milk for home consumption. Local relief agencies should by all means see to it that children of needy families receive all the milk they need, so that they will not grow up as weaklings and subject to every disease that comes along, which, in the long run, may cost more for doctor and hospital bills than the milk they should have received. But, since we are piling up dairy surpluses and sending wheat to those in need in foreign countries, why not send milk, butter, and cheese along with the wheat, so as to assist in balancing the diet?

At the present time some 85,000,000 pounds of butter is held by the Dairy Products Marketing Association, financed by the Commodity Credit Corporation. Practically all of this butter has been bought up for about 26 cents a pound. It is simply a threat hanging over the butter market of the United States. As long as this 85,000,000 pounds hangs over



the market ready to be sold when the price moves up a few cents, it tends to keep the price down. A real service would be rendered to the dairy farmers of this country if this butter were simply turned over to the Red Cross to be used to aid the children in America as well as on both sides in Spain and China.

I do not believe I am asking anything improper when I call attention to the plight of the dairy farmers in Wisconsin and other States in the North. When farmers get 26 cents a pound for butter it means that they are living on a starvation scale. Farmers of Wisconsin today in my district are getting prices just about as low as they got under Hoover in 1932. Prices at that time got down below \$1 a hundred pounds for milk. Prices now are down as low as that. When farmers get less than a dollar a hundred pounds for milk they are getting starvation pay. Milk at that price is the same as 25- or 30-cent wheat to the wheat farmer, 12- or 15-cent corn to corn farmers, and nickel cotton for the cotton farmer.

I am going to try to talk frankly now to the people in control of this Congress. In the last election there were very few supporters of the present administration elected from the dairy sections of the United States. I think that the reason is only too plain. While we have spent about \$3,000,000,000 or more to aid cotton, corn, wheat, sugar, and tobacco farmers, very little has been done to aid the dairy farmers in the United States. From the beginning of the New Deal until July 1, 1938, about \$25,000,000 was spent to buy butter, about \$4,000,000 to buy cheese, and \$10,000,000 to buy different types of milk.

When we consider that the dairy industry is the most important of the agricultural groups, and that only 1 1/3 percent of the total expenditure of \$3,000,000,000 or more has gone to aid the dairy farmer, you may get some idea why the present administration met such a wholesale reversal in the dairy land of the country. When the dairy farmer was getting 75 cents a hundred for milk in 1932, he was just as hard up as were the cotton, corn, and wheat farmers. The only difference is that after spending \$3,000,000,000 the dairy farmer is still getting the price he received under Hoover, where the farmers who have gotten help are, of course, better off to the extent of that help.

I believe that the American farmer needs and must have help. I am in favor of helping him in the future as I have been in the past, but I think you will agree with me that it is highly unfair to help certain types of farmers and ignore the dairy farmer completely.

I do not believe that we are producing more dairy products than the people of this country can use. As a matter of fact, we have not produced enough butter, cheese, or milk to give all the American people as much of these things as they should have. That, however, is another question. I hope that before this Congress gets through, it will work out a plan whereby dairy production can be increased from year to year until all the people of this country are properly fed and the farmer given cost of production for doing it. I am convinced that cost of production for everything consumed at home is the only plan that will ever aid the farmers in the long run.

In the meantime, however, we should do the job of feeding the undernourished children of America all the milk and other dairy products necessary and send the surplus along with the wheat that the Red Cross distributes to children in need across the sea in a manner of which we need not be ashamed. Let us give them food, the kind of food little children need to keep them alive—and not only alive but well and growing. The results of the famine in Europe after the World War are still evident in the men and women who were children at that time. Malnutrition attacks and weakens the vital organs even when it does not destroy them, and the effects of starvation are permanent and serious.

During the World War we ran up our national indebtedness to \$26,000,000,000. This does not count the money that we raised by taxation and paid out immediately. Altogether,

we probably spent \$30,000,000,000 or \$40,000,000,000, and I doubt if there is much of that money that did much good other than the very small amount that was used, not to destroy people, but to save the lives of the helpless. I think that whatever good will there is in the world today for the United States goes back largely to those splendid efforts we made in years gone by to care for little children, the helpless victims of war and famine.

Twenty years ago this month the Congress of the United States made \$100,000,000 available for the purpose of making relief loans to countries other than those against whom we had been fighting during the World War. A full account of these transactions is carried in a report of the American Relief Administration, published in 1931 and called American Food in the World War and Reconstruction Period. Many of those loans have been repaid. As a matter of fact, our loans for humane purposes have been much better than those made for purposes of war.

I urge that these dairy products be shipped where needed in continuance of our tradition of aid to distressed humanity, whether its plight be the result of hurricane, or flood, or man-made war and famine, in the knowledge that by so doing we are not only aiding the helpless children of war-torn nations but that we are also aiding a group of our own citizens who are hard-pressed and who in the past 6 years have been discriminated against by legislation passed in this body.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—SOCIAL SECURITY (H. DOC. NO. 110)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, was referred to the Committee on Ways and Means and ordered to be printed:

*To the Congress of the United States:*

Four years ago I sent to the newly convened Congress a message transmitting a report of the Committee on Economic Security. In that message I urged that Congress consider the enactment into law of the program of protection for our people outlined in that report. The Congress acted upon that recommendation and today we have the Social Security Act in effect throughout the length and breadth of our country.

This act has amply proved its essential soundness.

More than two and one-half million needy old people, needy blind persons, and dependent children are now receiving systematic and humane assistance to the extent of a half billion dollars a year.

Three and a half million unemployed persons have received out-of-work benefits amounting to \$400,000,000 during the last year.

A Federal old-age insurance system, the largest undertaking of its kind ever attempted, has been organized and under it there have been set up individual accounts covering 42,500,000 persons, who may be likened to the policyholders of a private insurance company.

In addition, there are the splendid accomplishments in the field of public health, vocational rehabilitation, maternal and child welfare, and related services, made possible by the Social Security Act.

We have a right to be proud of the progress we have made in the short time the Social Security Act has been in operation. However, we would be derelict in our responsibility if we did not take advantage of the experience we have accumulated to strengthen and extend its provisions.

I submit for your consideration a report of the Social Security Board, which, at my direction and in accordance with the congressional mandate contained in the Social Security Act itself, has been assembling data, and developing ways and means of improving the operation of the Social Security Act.

I particularly call attention to the desirability of affording greater old-age security. The report suggests a twofold approach which I believe to be sound. One way is to begin

the payment of monthly old-age insurance benefits sooner, and to liberalize the benefits to be paid in the early years. The other way is to make proportionately larger Federal grants in aid to those States with limited fiscal capacities, so that they may provide more adequate assistance to those in need. This result can and should be accomplished in such a way as to involve little, if any, additional cost to the Federal Government. Such a method embodies a principle that may well be applied to other Federal grants in aid.

I also call attention to the desirability of affording greater protection to dependent children. Here again the report suggests a twofold approach which I believe to be sound. One way is to extend our Federal old-age insurance system so as to provide regular monthly benefits not only to the aged but also to the dependent children of workers dying before reaching retirement age. The other way is to liberalize the Federal grants-in-aid to the States to help finance assistance to dependent children.

As regards both the Federal old-age insurance system and the Federal-State unemployment-compensation system, equity and sound social policy require that the benefits be extended to all of our people as rapidly as administrative experience and public understanding permit. Such an extension is particularly important in the case of the Federal old-age insurance system. Even without amendment, the old-age insurance benefits payable in the early years are very liberal in comparison with the taxes paid. This is necessarily so in order that these benefits may accomplish their purpose of forestalling dependency. But this very fact creates the necessity of extending this protection to as large a proportion as possible of our employed population in order to avoid unfair discrimination.

Much of the success of the Social Security Act is due to the fact that all of the programs contained in this act (with one necessary exception) are administered by the States themselves but coordinated and partially financed by the Federal Government. This method has given us flexible administration and has enabled us to put these programs into operation quickly. However, in some States incompetent and politically dominated personnel has been distinctly harmful. Therefore I recommend that the States be required, as a condition for the receipt of Federal funds, to establish and maintain a merit system for the selection of personnel. Such a requirement would represent a protection to the States and citizens thereof rather than an encroachment by the Federal Government, since it would automatically promote efficiency and eliminate the necessity for minute Federal scrutiny of State operations.

I cannot too strongly urge the wisdom of building upon the principles contained in the present Social Security Act in affording greater protection to our people rather than turning to untried and demonstrably unsound panaceas. As I stated in my message 4 years ago: "It is overwhelmingly important to avoid any danger of permanently discrediting the sound and necessary policy of Federal legislation for economic security by attempting to apply it on too ambitious a scale before actual experience has provided guidance for the permanently safe direction of such efforts. The place of such a fundamental in our future civilization is too precious to be jeopardized now by extravagant action."

We shall make the most orderly progress if we look upon social security as a development toward a goal rather than a finished product. We shall make the most lasting progress if we recognize that social security can furnish only a base upon which each one of our citizens may build his individual security through his own individual efforts.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 16, 1939.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—REPORT OF OPERATIONS UNDER EMERGENCY RELIEF ACTS

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred

to the Committee on Expenditures in the Executive Departments:

*To the Congress of the United States:*

As required by the provisions of the Emergency Relief Appropriation Acts of 1937 and 1938, I present herewith a report of the operations under these acts to the end of the calendar year 1938.

This report contains detailed and summary statements of the Treasury Department reflecting expenditures made, obligations incurred by classes and amounts, and the status of funds under each of the above-mentioned acts. In addition thereto, similar information is presented for the Relief Acts of 1935 and 1936. These statements have been compiled as of December 31, 1938.

Reports of operations of the Works Progress Administration, the Farm Security Administration, the Public Works Administration, and other agencies receiving funds under title I and title II of the Work Relief and Public Works Appropriation Act of 1938 are also included.

A supplementary report prepared by the Treasury Department is being forwarded under separate cover showing the status of funds, including expenditures made and obligations incurred for each official project, approved under the Emergency Relief appropriation acts.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 10, 1939.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—AMERICAN-MEXICAN CLAIMS

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Affairs:

*To the Congress of the United States of America:*

I commend to the favorable consideration of the Congress the enclosed report from the Secretary of State to the end that legislation may be enacted to authorize appropriations for expenses of a representative of the United States and of his assistants, and for one-half of the joint expenses of this Government and the Government of Mexico, in giving effect to the agreement of November 9-12, 1938, between the two Governments providing for the settlement of American claims for damages resulting from expropriations of agrarian properties since August 30, 1927.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 16, 1939.

[Enclosure: Report.]

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—FOREIGN SERVICE

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Affairs:

*To the Congress of the United States of America:*

I commend to the favorable consideration of the Congress the enclosed report from the Secretary of State and the accompanying draft of proposed legislation designed to extend the facilities of the Public Health Service to active officers of the Foreign Service of the United States.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 16, 1939.

[Enclosures: (1) Report of the Secretary of State; (2) draft of proposed bill.]

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—ANNUAL REPORT OF CENTRAL STATISTICAL BOARD

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Expenditures in the Executive Departments:



*To the Congress of the United States:*

Pursuant to the provisions of section 5 (f) of the act of Congress approved July 25, 1935, I transmit herewith for the information of the Congress the Fourth Annual Report of the Central Statistical Board for the period from July 1, 1937, to June 30, 1938.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 14, 1939.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—BEARING ON TAXATION OF FEDERAL OWNERSHIP OF REAL ESTATE (H. DOC. NO. 111)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Public Buildings and Grounds, and ordered to be printed, with illustrations.

*To the Congress of the United States:*

At a meeting of the National Emergency Council held December 17, 1935, I designated the Secretary of the Treasury, the Attorney General, and the Acting Director of the Bureau of the Budget to serve as a committee to make a study of Federal ownership of real estate and of its bearing on State and local taxation. This study has been completed and I am transmitting herewith for your information, and such further use as you may deem desirable, the report of the committee and the accompanying tables and charts.

It will be noted that the report concludes with the following recommendations:

1. That all branches of the Federal Service be directed to declare completely, accurately, and promptly their surplus land and improvements in order that a prudent use for such properties may be found or that they may be offered for sale.

2. That the Procurement Division of the Treasury Department continue to maintain a current permanent record of all Federal real estate in order that there may be constantly on file available and dependable information with respect thereto.

3. That there should be constituted a Federal Real Estate Board composed of a representative from each of the governmental agencies in charge of considerable holdings of Federal income-producing property, a representative from the Procurement Division, and a representative from the Bureau of the Budget. The duty of this Board should be to study and make recommendations regarding the situation existing in individual communities adversely affected by the purchase of substantial amounts of land and their consequent removal from the regular tax rolls of the county or other taxing district; to advise with Federal agencies contemplating the acquisition of additional real estate; and to submit recommendations regarding the disposition of lands that are essentially in the nature of surplus property.

I have approved of the recommendations of the committee and, in order to put them into effect, I have issued an appropriate Executive order establishing the Federal Real Estate Board, and providing for the maintenance by the Procurement Division, Treasury Department, of a current record of all Federal real estate. I am enclosing herewith a copy of this Executive order.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 16, 1939.

#### EXTENSION OF REMARKS

Mr. COLMER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD with reference to the message of the President on the subject of social security.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. COLMER. Mr. Speaker, I am very much encouraged by the President's message which the Clerk has just read, dealing with the question of benefits to the aged. I was particularly pleased with that paragraph of the President's message which suggested that old-age benefits might be increased "to those States with limited fiscal capacities." This is a principle for which I have contended from the very inception of the question of old-age security. I hope, Mr. Speaker, that it will not be amiss for me to point out for the benefit of the membership that when this bill was first being considered by the Ways and Means Committee early in 1935 I gave a statement for the benefit of the committee which ap-

pears on pages 1084 and 1085 of the published hearings. In that statement I urged that the entire question of old-age assistance in the form of pensions should be recognized as a Federal one. I pointed out with considerable emphasis that the comparatively poor States, such as Mississippi, would not be financially able to match dollar for dollar the Federal contribution.

Failing to get this provision written into the bill by the committee, I again called the attention of the House to this question on April 16, 1935, when the bill was being considered (p. 6012, CONGRESSIONAL RECORD, 74th Cong.). I then informed the House that upon the reading of the bill for amendments I would offer an amendment which would provide that the Federal Government should pay the full \$15 regardless of State contribution. Some days later I offered an amendment to the Social Security Act, which was then in the course of being enacted, in the nature of a compromise which provided for the Federal Government putting up four-fifths and the State only putting up one-fifth. In other words, under my amendment, if adopted, the States would only have to match the Federal Government's contribution on the basis of 20 cents on the dollar. While there was considerable support of that amendment at that time, it failed to receive the necessary majority and therefore was not written into the law.

Following the same principle, when the Seventy-fifth Congress convened I introduced a bill, H. R. 4086, which would have required the Federal Government to pay the full \$15 regardless of State contribution. Failing to get favorable action on this bill, I introduced the same bill on January 5 last, and this bill is now known as H. R. 1814 and has been referred to the Ways and Means Committee, where it is now pending.

Mr. Speaker, I am grateful for the opportunity thus afforded me to call the attention of the House at this time to the necessity for the amendment of such legislation. Some of our States simply cannot, because of the absence of certain natural resources, collect the necessary revenue to match the Federal contribution. I repeat that I am much gratified and encouraged that the President of the United States has recognized the justice of this proposition, and I therefore hope that the opportunity for the enactment of this principle into law is much enhanced.

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the Resident Commissioner from Puerto Rico?

There was no objection.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes following the address of the gentleman from Mississippi [Mr. RANKIN].

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER. Under the special order of the House heretofore made, the gentleman from Vermont [Mr. PLUMLEY] is recognized for 20 minutes.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein a message from the Governor of the State of Vermont and certain communications incident thereto, which material I undertook to insert in the Appendix of the RECORD last Friday. I was advised by the Public Printer, however, that my material exceeded the limit by about a page. I may say in this connection that I submit this request because of numerous telephone inquiries I have had from Members with respect to it.

Mr. RANKIN. Reserving the right to object, Mr. Speaker, the gentleman means now the message of the Governor of Vermont to the legislature?

Mr. PLUMLEY. That is correct.

The SPEAKER. Is there objection to the request of the gentleman from Vermont [Mr. PLUMLEY]?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, in the first place, I desire to call attention to the message of the Governor of Vermont to the Vermont Legislature with the accompanying correspondence between the Governor and the representatives of the Federal Government, which read as follows:

MESSAGE OF GOV. GEORGE D. AIKEN TO THE JOINT SESSION OF THE GENERAL ASSEMBLY OF THE STATE OF VERMONT

Members of the general assembly, this joint assembly has been requested to meet so that I may lay before you for your consideration the serious threat to our common rights which arises from the proposed flood-control activities of the Federal Government within our borders.

This is no new problem, but developments of the last few days make it urgent that the State, as represented by this legislature, take prompt and vigorous action to defend its sovereignty, and particularly its sovereign control of the natural resources located within our boundaries.

Flood control became a matter of common concern for us and our sister New England States after the flood of 1936. We hoped and expected to attain a satisfactory measure of protection for the Connecticut River Valley through the New England flood-control compacts between these States. These compacts were drawn in March 1937 and were approved by all the States involved. But because of the opposition from the Federal administration they were never ratified by the Congress.

In June 1938 Congress enacted an amendment to its flood-control law during the hectic closing hours of the session. Last-minute amendments, introduced hastily from the floor and never even referred to a committee, gave the Federal Government authority to acquire lands and water resources of the States without the consent of the State where such resources are located. The constitutionality of this law is, of course, very doubtful.

Under these circumstances it did not seem likely that Federal officials would have the wish or inclination arbitrarily to enforce their will against the wishes of the people of the State involved, and without consulting them. Yet in October 1938 the Vermont Board of Public Works was notified by the War Department that it proposed to construct a dam at Union Village. The State had been consulted in no way.

I wrote to Secretary of War Woodring and advised him that although Vermont could not and would not recognize the right of the Federal Government to acquire our land and our water without our consent, nevertheless the State would gladly cooperate with the Federal Government in the construction of this dam. We also offered to confer with him or his representatives.

When I made this offer of Vermont's cooperation in flood control I had two things in mind. The first was a sincere belief that we in the upper valley of the Connecticut should afford as much protection as possible not only to our own people but also to the people of other States in the lower Connecticut Valley. I also had in mind that an offer of cooperation from Vermont would require a demonstration of sincerity on the part of the Federal Government.

On October 21 General Kingman, Col. John S. Bragdon, and Captain Vimey, all Army engineers, called at my office and discussed the proposed dam at Union Village. I told these representatives of the War Department that Vermont was willing and ready to cooperate with the Federal Government in affording flood protection to the people of Vermont and the States south of us.

On the same date I authorized our board of public works to enter into negotiations with the War Department concerning the Union Village Dam. On the very same day the board of public works voted to cooperate with the War Department and Army engineers and advised Colonel Bragdon that they would be pleased to confer with him or his representatives at any time.

On the next day, October 22, I wrote the Chief of Engineers of the War Department at Washington reiterating the State's willingness to cooperate in the construction of this dam. I cited to the Chief of Engineers the provisions of the State laws permitting this cooperation.

On October 26 Brig. Gen. M. C. Tyler, Acting Chief of Engineers, of the War Department, wrote me that Secretary of War Woodring had authorized Colonel Bragdon, district engineer, to confer with the Vermont Public Works Board and work out a procedure for cooperation. Acting on this authority, Colonel Bragdon met with the public works board on November 4 and submitted a tentative agreement between the Federal Government and the State.

After carefully considering this proposed agreement, the public works board on November 14 wrote Colonel Bragdon suggesting certain clarifying changes. No reply was received from the War Department until December 19, when Colonel Bragdon came to Montpelier with a revised contract. This had been drawn up by the War Department and, as he said, approved by it.

This contract was approved as to form by Attorney General Lawrence Jones, of Vermont, considered by the Vermont Public Works Board, found satisfactory, and signed by them. It was signed for the United States Government by Colonel Bragdon. Thereafter I approved it in writing on behalf of the State of Vermont. The contract was then complete except for ratification of Colonel Bragdon's signature by the Chief of Engineers of the United States Army.

Nothing further was heard from the War Department until a newspaper article appeared in the Christian Science Monitor of January 6 to the effect that Secretary of War Woodring had refused

to approve this agreement which was written by the War Department itself, and not one word by Vermont officials.

The following day, January 7, Secretary of War Woodring wrote me as follows: "I do not feel that it will be necessary to complete the drafts of formal agreements which have previously been prepared covering this procedure."

This repudiated the previous negotiations and contract.

It is almost beyond belief that the Federal Government should consider the taking of our lands of so little importance that it doesn't even require a written agreement.

The very fact that they feel that way raises a very grave issue, not only for our State but for all the States of the Union.

That issue is not flood control; we have offered our cooperation for flood control, and it has been arbitrarily refused. That issue is not cheap power development by the Federal Government, because the agreement as signed by the State of Vermont did not prevent the Federal Government from developing power.

The issue is simply and solely the insistence of the Federal Government that it can take from us what it chooses, when it chooses, without any regard at all for our wishes or our rights. For more than a year I have warned that behind the flood control, behind the power development, was a deliberate attempt to prepare the way for a little group of men to run things their way, good sometimes, bad sometimes, but always their way, forgetting that a check with the home folks and their wishes is not only good practical horse sense but the very essence of democracy.

By spurning our offer of cooperation for legitimate purposes the Secretary of War has stripped the situation of all pretense. He is evidently impatient with democracy. We can only conclude that neither flood control nor water power but domination is the Federal Government's secret motive.

It is now put squarely up to us Vermonters to decide what we want to do. We can submit meekly, surrendering resource after resource until we are no longer self-supporting and free. Or we can boldly face the facts as they are now uncovered. We can fight or we can run.

I have no doubt what your choice will be.

I, therefore, respectfully recommend that the general assembly, through its constituent houses, take the following action:

First. Petition the Congress of the United States to direct the Secretary of War to approve the proposed contract between the State of Vermont and the Federal Government.

Second. Petition the Congress to repeal the unfair and unjust amendments to the Flood Control Act under which the Federal Government claims the right to take our lands and waters without our consent.

Third. Appropriate a substantial emergency fund to be expended by the Governor in all legal and proper ways for the defense of our sovereign rights, to the end that this injustice to us and to our descendants be forever prevented.

Vermont has always cooperated fully and freely with the Federal Government. We want to now. But we will be unworthy of our heritage if we do not insist on the recognition of our statehood and the common rights of common men.

EXECUTIVE DEPARTMENT,  
Montpelier, Vt., October 15, 1938.

HON. HARRY S. WOODRING,

Secretary of War, Washington, D. C.

MY DEAR SECRETARY WOODRING: I am advised by H. E. Sargent, commissioner of highways and chief engineer for Vermont, that he has received a communication from Lt. Col. J. S. Bragdon, district engineer for the War Department, advising him that funds are available for the immediate start of construction of a dam on the Ompompanoosuc River about one-fourth mile north of Union Village, Vt., and requesting a conference to consider the relocation of highways in this area.

It is my duty to inform you that Vermont does not recognize the right of the United States Government to purchase or acquire land within the State without the consent of the State.

The State of Vermont will, however, cooperate with the Federal Government in the construction of this dam in accordance with the laws of this State, and we are willing to confer with you or your representatives to discuss this matter.

Yours very truly,

GEORGE D. AIKEN, Governor.

WAR DEPARTMENT,  
Washington, October 26, 1938.

HON. GEORGE D. AIKEN,

Governor of Vermont, Montpelier, Vt.

DEAR GOVERNOR AIKEN: I refer to your letter of October 15, 1938, relating to the availability of funds for the immediate start of construction of a dam near Union Village, Vt., wherein you advise that Vermont does not recognize the right of the United States Government to purchase or acquire land within the State without the consent of the State, but that the State will, however, cooperate with the Federal Government in the construction of this dam in accordance with the laws of the State, and that you are willing to confer with me or my representatives to discuss this matter.

I am advised that since the date of your letter Brig. Gen. John J. Kingman, Assistant Chief of Engineers, United States Army, and Lt. Col. John S. Bragdon, district engineer, Providence, R. I., have conferred with you and that the department is now engaged in formulating a procedure whereby the services of your State may be utilized in the acquisition of lands and in the relocation of highways.



I am gratified to receive your kind offer of cooperation in the prosecution of the flood-control project at Union Village and am sure that such action on your part will facilitate an early completion of the work.

Sincerely yours,

HARRY H. WOODBRING,  
Secretary of War.

EXECUTIVE DEPARTMENT,  
Montpelier, Vt., October 21, 1938.

EMERY A. MELENDY,  
Chairman, Board of Public Works,  
Montpelier, Vt.

DEAR MR. MELENDY: Engineers of the War Department have expressed a desire to start construction of a flood-control dam at Union Village immediately.

You have my approval to enter into negotiations with the War Department in accordance with the authority given you by section 4975 of the Public Laws of Vermont, as amended, to the end that work on this project may not be delayed.

Yours very truly,

GEORGE D. AIKEN, Governor.

EXECUTIVE DEPARTMENT,  
MONTPELIER, Vt., October 22, 1938.

CHIEF OF ENGINEERS,  
War Department, Washington, D. C.  
(Attention: General Kingman.)

DEAR SIR: Friday, October 21, 1938, General Kingman, Colonel Bragdon, and Captain Viney, of the Army Engineers, visited me at my office in the statehouse in Montpelier, Vt., to discuss the proposed flood-control dam at Union Village in the town of Thetford, Vt.

That conference was attended by Attorney General Jones and Mr. Philip Shutler of the flood-control committee.

Since that conference I have given careful thought to this matter. I believe that the War Department is sincere in its efforts to provide flood control. As Governor of the State of Vermont, I desire to cooperate with the War Department in accomplishing that purpose in a manner that will avoid delay and yet conform to the laws of both the United States and of the State of Vermont.

Section 4975 of the Public Laws of Vermont, as amended, provides in substance that, with the written approval of the Governor, the public works board is authorized to cooperate and to contract with Federal agencies for flood-control purposes. It is likewise authorized to acquire in the name of the State all land and rights necessary for such purpose. It is also authorized to transfer such property so acquired, by lease or deed, to the United States.

Section 2 of the Federal Flood Control Act of 1938 provides in part as follows: "Title to all lands, easements, and rights-of-way for such project shall be acquired by the United States or by States, political subdivisions thereof, or other responsible local agencies and conveyed to the United States."

Therefore, under the Vermont law, the public works board can acquire title to the necessary lands and easements and then convey the same to the United States, and the United States can receive the same under authority of the so-called Flood Control Act. The public works board can contract with the United States to carry out its part in such a program.

It is therefore possible under existing law for the State of Vermont, through the Governor and the public works board, to give its consent to the immediate construction of a flood-control dam at Union Village, Vt., and to arrange for the transfer of the title to the necessary lands, and easements to the United States.

For 2 years Vermont has shown its willingness to make sacrifices to aid its sister States, and to the end that construction of a flood-control dam at Union Village may be begun without delay, I have authorized the board of public works to cooperate with the War Department to the fullest extent and to contract with the War Department for the acquisition and eventual transfer to the United States of the necessary lands and easements.

This action indicated no change in my opposition to acquisition of Vermont lands by the Federal Government without the State's consent. It does mean, however, that Vermont is willing to consent to the use of the necessary land for flood control at Union Village.

I believe that this will demonstrate to our sister States that we are willing to do all within reason to provide them with some measure of protection from floods. It will aid in defining the real question at issue and should ascertain whether the Federal administration is motivated by a desire for flood protection of New England States, or under the guise of flood control is seeking to destroy the sovereignty of the States and to centralize all authority in Washington.

My action should dispel false impressions to the effect that Vermont's attitude on the flood-control question has been subservient to the interests of public utilities, however ridiculous such assertions must seem to those who know my record.

If the administration desires to have immediate construction started on the dam at Union Village, which site has already been approved by the Vermont Legislature for a flood-control dam, it can do so by the method herein offered. If, on the other hand, the Federal administration attempts to condemn or acquire lands without the consent of the State, it will cause substantial delay in the

building of the dam at Union Village and indicate that the administration's real purpose is to destroy the States.

In concluding let me express the hope that this matter will be amicably settled and that construction of the dam will proceed in accordance with plans heretofore submitted, which will provide recreational facilities that will partially offset the losses which the town and the State would otherwise sustain.

Very truly yours,

GEORGE D. AIKEN, Governor.

WAR DEPARTMENT,  
OFFICE OF THE CHIEF OF ENGINEERS,  
Washington, October 26, 1938.

HON. GEORGE D. AIKEN,  
Governor of Vermont, Montpelier, Vt.

DEAR GOVERNOR AIKEN: This office is in receipt of your letter of October 22, 1938, addressed to the attention of General Kingman and relating to the proposed flood-control dam at Union Village, Vt. In this letter you state that Vermont is willing to consent to the use of necessary land for flood control at Union Village, and express the desire that the lands and easements necessary be acquired through the Public Works Board of the State of Vermont.

I am pleased to advise that the Secretary of War has this date approved the recommendation of this office that the Department avail itself of your offer to acquire, through the public works board and thereafter convey to the United States upon a reimbursement basis, all lands, easements, and rights-of-way necessary for the project. Based upon the provisions of section 2 of the Flood Control Act approved June 28, 1938, it is understood that the Department shall determine what lands, easements, and rights-of-way are necessary; that it shall make reimbursement upon acceptance of title by the United States; and that such reimbursement shall be limited to sums equivalent to actual expenditures deemed reasonable by the Secretary of War and the Chief of Engineers.

The Secretary of War has further authorized the district engineer of the locality to confer with your public works board, or with an appropriate official of the State, to work out a procedure of cooperation, and Col. John S. Bragdon, the district engineer of the locality, has been advised accordingly.

I desire to express my appreciation of your kind offer of cooperation and feel sure that the construction of the project will be facilitated thereby.

Very respectfully,

M. C. TYLER,  
Brigadier General, Acting Chief of Engineers.

EXECUTIVE DEPARTMENT,  
Montpelier, Vt., October 29, 1938.

Gen. M. C. TYLER,  
Acting Chief of Engineers,  
War Department, Washington, D. C.

DEAR GENERAL TYLER: This is to acknowledge your letter of October 26 accepting our plan whereby the proposed flood-control dam at Union Village may be built with the consent of this State and in accordance with Vermont law.

I appreciate very much the fine spirit of cooperation evidenced by the War Department in this flood-control matter, and sincerely hope that through our negotiations this entire matter may be finally settled, and that flood control, a problem of vital importance to our citizens, may once and for all be removed from the realm of politics.

I feel confident that the contract covering the details as to what lands are necessary, the type of dam to be constructed, the time of conveyance, and method of reimbursement and other material details can be agreed upon forthwith by your Department and our board of public works.

Very sincerely yours,

GEORGE D. AIKEN, Governor.

#### AGREEMENT BETWEEN THE STATE OF VERMONT AND THE UNITED STATES OF AMERICA FOR LAND ACQUISITION FOR THE DAM SITE AND RESERVOIR BASIN OF THE UNION VILLAGE DAM, IN VERMONT

Whereas the Flood Control Act approved June 28, 1938, Public, No. 761, Seventy-fifth Congress, provides, in part, as follows:

*Be it enacted, etc.,* That hereafter Federal investigations and improvements of rivers and other waterways for flood control and allied purposes shall be under the jurisdiction of, and shall be prosecuted by, the War Department, under the direction of the Secretary of War and supervision of the Chief of Engineers. \* \* \*

SEC. 2. That section 3 of the act of June 22, 1936 (Public, No. 738, 74th Cong.), as heretofore amended and as herein further modified, shall apply to all flood-control projects except as otherwise specifically provided by law.

That in case of any dam and reservoir project, or channel improvement or channel rectification project for flood control, herein authorized or heretofore authorized by the act of June 22, 1936 (Public, No. 738, 74th Cong.), as amended, and by the act of May 15, 1928 (Public, No. 391, 70th Cong.), as amended by the act of June 15, 1936 (Public, No. 678, 74th Cong.), as amended, title to all lands, easements, and rights-of-way for such project shall be acquired by the United States or by States, political subdivisions thereof, or other responsible local agencies and conveyed to the United States, and provisions (a), (b), and (c) of section 3 of said act of June 22, 1936, shall not apply thereto. Notwithstanding any restrictions, limitations, or requirement of prior consent provided

by any other act, the Secretary of War is hereby authorized and directed to acquire in the name of the United States title to all lands, easements, and rights-of-way necessary for any dam and reservoir project or channel improvement or channel rectification project for flood control with funds heretofore or hereafter appropriated or made available for such projects, and States, political subdivisions thereof, or other responsible local agencies shall be granted and reimbursed, from such funds, a sum equivalent to actual expenditures deemed reasonable by the Secretary of War and the Chief of Engineers and made by them in acquiring lands, easements, and rights-of-way for any dam and reservoir project, or any channel improvement or channel rectification project for flood control heretofore or herein authorized: *Provided*, That no reimbursement shall be made for any indirect or speculative damages: *Provided further*, That lands, easements, and rights-of-way shall include lands on which dams, reservoirs, channel improvements, and channel rectifications are located; lands or flowage rights in reservoirs and highway, railway, and utility relocation.

SEC. 5. That, in carrying out the purposes of this act, the Secretary of War and the Secretary of Agriculture are hereby authorized to cooperate with institutions, organizations, and individuals, and to utilize the services of Federal, State, and other public agencies, and to pay by check to the cooperating public agency, either in advance or upon the furnishing or performance of said services, all or part of the estimated or actual cost hereof.

Whereas title 21, section 4974, of the Public Laws of Vermont, provides as follows:

SEC. 4974. Purpose of chapter: To provide cooperation by the State with the Federal Government in the construction of public works as provided by an act of Congress entitled "The National Industrial Recovery Act," approved June 16, 1933, and in the construction of public works as provided in an act of Congress entitled "An act for the relief of unemployment through the performance of useful public work, and for other purposes," approved March 31, 1933, and as provided now or hereafter under other acts of Congress, there is hereby created a board of public works. The board shall consist of the members of the State highway board, ex officio, and the chairman of the State highway board shall be chairman of the board of public works.

And whereas section 4795 of the Public Laws of Vermont as amended by No. 4 of the acts of the special session of 1934 and as again amended by No. 111 of the acts of the general assembly of 1937 provides as follows:

The board of public works, with the written approval of the Governor, is authorized and empowered to cooperate and contract in the name and on behalf of the State with the Federal Government in the construction and maintenance of any public-works project prepared by the Federal Emergency Administrator of Public Works or other Federal agency now or hereafter created; to accept grants, loans, leases, and assistance from the Federal Government for the construction, repair, improvement, or carrying out of such projects as such board with the written approval of the Governor shall designate; to acquire, with the written approval of the Governor, by gift, purchase, lease, or by the exercise of the power of eminent domain any real or personal property, including property held for public use, in connection with the construction and carrying out of any such project; to convey to the Federal Government by deed or lease any of such real or personal property so obtained; to change, alter, modify, with the written approval of the Governor, any contract, agreement, deed, or conveyance executed or entered into under the provisions of this section, or any term or terms thereof by mutual agreement of the parties thereto; to manage, control, and maintain any such public works.

In order to carry out the provisions of the foregoing acts as to the particular project herein mentioned, it is agreed between the State of Vermont and the Chief of Engineers without prejudice to the rights of the State of Vermont with respect to any other proceedings under the cited act of Congress, as follows: Contingent upon continued congressional appropriation, the United States will construct a dam at Union Village, Vt., with an approximate storage capacity of 40,000 acre-feet equivalent to approximately 5½ inches of run-off on the watershed.

The State of Vermont will procure all necessary lands, easements, and rights-of-way necessary for the dam and the reservoir, and will deed title thereof to the United States. The United States will reimburse the State of Vermont sums equivalent to the actual expenditures made by it in the acquisition of the necessary lands, easements, and rights-of-way as deemed reasonable by the Secretary of War and the Chief of Engineers.

For the United States:

J. S. BRAGDON,  
Lieutenant Colonel, Corps of Engineers,  
United States District Engineer.

JULIAN L. SCHLEY,  
Major General, Corps of Engineers, Chief of Engineers.  
Approved as to form December 19, 1938.

LAWRENCE C. JONES,  
Attorney General.

For the State of Vermont:

EMERY A. MELENDY,  
OSCAR A. RIXFORD,  
JOHN A. KILBOURN,  
Board of Public Works, State of Vermont.

Approved:

GEORGE D. AIKEN,  
Governor of Vermont.

WAR DEPARTMENT,  
Washington, January 5, 1939.

HON. GEORGE D. AIKEN,

Governor of Vermont, Montpelier, Vt.

DEAR GOVERNOR AIKEN: With further reference to my letter of October 26, 1938, advising you that funds had become available for the construction of a flood-control dam near Union Village, Vt., I desire to advise you further that the preparation of plans and specifications for this structure has now proceeded to the point where the project may be advertised for actual construction in the very near future.

It is desired to begin construction at this locality as promptly as possible in order to provide the people of the State of Vermont and of the lower States with flood-control benefits at the earliest practicable date. In order to accomplish this purpose, I shall be pleased to accept the cooperation which you have so kindly offered, to acquire through your board of public works the necessary lands, easements, and rights-of-way, in the manner authorized in title 21, sections 4974 and 4975, of the Public Laws of the State of Vermont, and to continue this procedure unless experience, not now foreseen, discloses difficulties in this method. The provisions of the above State statutes appear to conflict in no way with section 2 of the Flood Control Act approved June 28, 1938. In view of these things, I do not feel that it will be necessary to complete the drafts of formal agreements which have previously been prepared covering this proposed procedure.

In order that there may be no delay in initiating construction of the Union Village Dam, I trust I may receive your early and favorable reply to the views expressed above.

Sincerely yours,

HARRY H. WOODRING,  
Secretary of War.

EXECUTIVE DEPARTMENT,  
MONTPELIER, VT., January 7, 1939.

HON. HARRY H. WOODRING,

Secretary of War, Washington, D. C.

DEAR SECRETARY WOODRING: Your letter of January 5 referring to the proposed dam at Union Village and the agreement, signed by Lt. Col. J. S. Bragdon for the War Department and Emery Melendy, O. A. Rixford, J. S. Kilbourne, of the board of public works, and approved by myself for the State of Vermont, has been received.

I interpret this letter to mean that the United States Government does not recognize and approve this agreement.

Your letter indicates that you expect the State of Vermont to acquire the necessary lands, easements, and rights-of-way for the Federal Government without any formal agreement. Considering the amount of land and money involved, ordinary business practice would call for a written contract.

Section 4974 of the Public Laws of Vermont provides: "The board of public works with the written approval of the Governor is authorized and empowered to cooperate and contract in the name of and on behalf of the State with the Federal Government in the construction and maintenance of any public-works project prepared by the Federal Emergency Administrator of Public Works or other Federal agency now or hereafter created." It is obvious that I cannot give my written approval to a contract the terms of which are not given in writing.

It is unfortunate that you cannot see your way clear to construct the dam at Union Village in the manner which was agreed upon.

Very sincerely yours,

GEORGE D. AIKEN, Governor.

At this point I desire to insert the joint resolution demanding retention of the sovereignty over land and the natural resources of the State of Vermont, which was adopted by the legislature in response to the message of the Governor, and was approved on January 12, 1939, a certified copy of which I am filing, reading as follows:

Whereas the sovereign State of Vermont, through its board of public works, acting upon the written authorization of its Governor, George D. Aiken, did on its part enter into a contract with the United States of America, acting through the Secretary of War, entitled "Agreement between the State of Vermont and the United States of America for land acquisition for the dam site and reservoir basins of the Union Village Dam in Vermont"; and

Whereas the operation of the aforesaid contract was prevented by the refusal of the United States of America, acting through its Secretary of War, to confirm and bind itself in writing to the terms of the agreement as the State of Vermont on its part had already done in good faith; and

Whereas the Governor of the State of Vermont under date of January 7, 1939, did inform the Secretary of War in writing that the executive of a sovereign State could not give his written approval to a contract, the terms of which were not given in writing; and

Whereas the State of Vermont through its Governor, George D. Aiken, under date of October 15, 1938, did inform the Secretary of War that Vermont did not recognize the right of the United States of America to purchase or acquire land within the State without the consent of the State, affirming at the same time the readiness of the State of Vermont to cooperate with the United States of America in the acquisition of land for the dam site and reservoir basin in the town of Thetford, in accordance with the laws of the State of Vermont, and pledging his willingness to negotiate an agreement; and



Whereas the failure of the United States of America to give evidence of its sincerity by entering into a written agreement with the State of Vermont places the internal sovereignty of the State of Vermont over its lands and natural resources and its people in double jeopardy because the Flood Control Act of 1938 amending section 3 of the act of 1936, chapter 795, section 2, 52 Statutes 1215, title 33, United States Code, Annotated, section 701 (c-1), repealing the sacred words "with the consent of the State" and substituting therefor the arbitrary words "notwithstanding any restrictions or limitations or prior consent by any other act," thereby giving the Secretary arbitrary powers openly to flaunt and to ignore the internal sovereignty of a sovereign State in the acquisition of lands, easements, and rights-of-way necessary for any dam and reservoir project or channel improvement or rectification project for flood-control purposes; and

Whereas the silence at this critical hour of the State of Vermont to insist that the extension of article I, section 8, and clause 3 of the Constitution of the United States of America giving Congress power to regulate commerce with foreign nations and among the several States in such an arbitrary and unnecessary manner makes void article X of the amendments to the Constitution of the United States of America reserving to the States respectively, or to the people, rights not delegated to the United States of America; and

Whereas the growing and menacing ambition of those in authority and influence in the Capital of the United States of America is so to mutilate the intent of article X of the amendments to the Constitution of the United States of America as to centralize paramount authority in Washington by emasculating the internal sovereignty of the several States over their lands and resources; and

Whereas the aforesaid issue between the sovereign State of Vermont and the United States of America has been joined by the arbitrary disregard of the principle of the reserved rights of the people, and of the several States, and if this faithlessness to the sacred Federal structure of these United States of America is allowed to go unchallenged, the present affront to the several States of the Union will be but the entering wedge progressively to divest and further to encroach upon the sacred area of rights reserved to the people, and to the several States; and

Whereas the sad plight of other sections of our world, as well as the history of our own land before the formation of these United States of America, warns us that liberty itself withers when arbitrary power, heedless of respect for negotiation, consent, and respect for the rights and obligations of others, gathers unto itself powers which are unrestrained by law: Therefore be it

*Resolved, etc.*, proclaiming sympathy for those communities which have suffered and may again suffer from catastrophes caused by disastrous floodwaters, declaring its readiness to cooperate with the United States of America and the several States in measures designed to prevent such floods and their human and economic tragedies, insisting that the internal sovereignty of the State of Vermont cannot be invaded or compromised without its consent, warning the several sister States of the Union that the program of an arbitrary, ambitious, and unscrupulous minority must now be prevented from usurping the rights and powers reserved to the people and to the States, and reiterating the question which Thomas Chittenden placed before the Congress of the United States of America when in 1779, under similar circumstances and in a similar memorial, he wrote:

"The general assembly will be pleased to learn over what part of this State you mean to extend your claim, and how far you mean to carry such pretensions into execution. Every necessary step shall be pursued to bring about an equitable accommodation of all differences, agreeable to the strict rules of justice and equity; which cannot be attended to \* \* \* without explicit acknowledgment of the independence of this State. Can a people such as ours be dragged, or flattered, into a subjection \* \* \* merely to allow them a stretch of jurisdiction, and thereby augment this power?"

That the honorable Senate and House of Representatives of the Congress of the United States of America be respectfully requested to direct the Secretary of War to execute in behalf of the United States of America the aforesaid "agreement between the State of Vermont," already executed in good faith by the board of public works and the Governor of the State of Vermont; and be it further

*Resolved*, That the honorable Senate and House of Representatives of the Congress of the United States of America be respectfully requested to uphold the sacred faith and tradition of the American people by repealing forthwith such enactments as may allow the United States of America to invade the internal sovereignty of a sovereign State over its land and natural resources without its consent thereto; and be it further

*Resolved*, That copies of this resolution be sent by the secretary of state to the Vice President of the United States, as the President of the Senate of the United States, to the Speaker of the House of Representatives of the United States, and to each Senator and Representative who represents the State and people of Vermont in the Congress of the United States of America.

OSCAR L. SHEPARD,  
Speaker of the House of Representatives.  
WM. H. WILLS,  
President of the Senate.

Approved January 12, 1939.

GEORGE D. AIKEN, Governor.

In order that you may have before you the evidence of the recorded position which has been taken by the Governor of the State, I wish to insert at this point a telegram, which reads as follows:

MONTPELIER, Vt., January 14, 1939.

HON. CHARLES A. PLUMLEY,

House of Representatives, Washington, D. C.:

I have been informed that the President has stated that if Vermont doesn't want any dams Vermont doesn't have to have them. I hope the President is not trying to becloud the real issue. It is not flood-control dams we oppose. It is surrendering of State sovereignty and resources to the Federal Government as a price for building these dams that we object to. As evidence of this, I am urging the New England congressional delegation to press for ratification of the New England flood-control compacts immediately and to amend the 1938 flood-control law by restoring to all the States the same rights they held previous to its enactment.

GEORGE D. AIKEN,  
Governor of Vermont.

In common with a good many of you I also received the following telegram from the Governors of the several New England States:

BOSTON, MASS., January 14, 1939.

Congressman CHARLES A. PLUMLEY,

House of Representatives, Washington, D. C.:

We urge the Federal Government to cooperate immediately with the New England States to accomplish flood control without demanding the complete surrender to the Federal Government of basic rights which belong to the people in the States.

We believe that the natural resources of all the States belong to the people therein and that they should not be taken away without the consent of the States acting through the duly chosen representatives of the people.

Gov. GEORGE D. AIKEN, Montpelier, Vt.  
Gov. RAYMOND E. BALDWIN, Hartford, Conn.  
Gov. LEWIS O. BARROWS, Augusta, Maine.  
FRANCIS P. MURPHY, Concord, N. H., Governor.  
LEVERETT SALTONSTALL, Boston, Mass., Governor.  
WILLIAM H. VANDERBILT, Providence, R. I.

Now, Mr. Speaker, may I say that the vital issue involved is not and cannot be disposed of by flippant remarks emanating from the White House or anywhere else?

The Governors of six sovereign States have entered into a compact to protect their States insofar as possible against further encroachment or domination. It would be interesting, were I at liberty to disclose, how many other Governors have indicated that they were in full accord with the attitude, position, and pronouncement of the six who have entered into the compact.

The issue involving the sovereignty of their States and their rights will not be blown away by any blast of "hot air," nor disposed of by any attempt to array State against State by promising to take money away from one and give it to another. Such insinuations and such an attitude only strengthen the purposes of those who propose to fight to a finish for the underlying principle of government with which this issue is concerned.

I ask you to read carefully all the documents submitted and that you familiarize yourself with the situation generally; having done so, you will be forced to admit that, while my statements are moderate, they are absolutely correct.

A few days before Governor Aiken delivered his message to the Legislature of the State of Vermont, Secretary Woodring had repudiated a proposed contract between Vermont and the Federal Government. In this agreement, signed by the Governor and the divisional Army chief, Vermont deeded the land to the Federal Government after the latter asked consent of the State. The site involved only flood control but no power development. Secretary Woodring replied that no written agreement was necessary, for under the Barkley Flood Control Act of 1938 lands can be taken without consent, and that power equipment would be installed.

It has been well said that future historians will write no more disgraceful page than the New Deal record of New England flood control. For 2 years the New England Governors under the then existing laws sought the approval of compacts which would have laid the foundation for an excellent flood-control system through Federal-State cooperation. The administration, determined to capture the waterways of the Nation, blocked the compacts, and finally pushed

the Barkley Act through the Senate at 2 a. m. on a hot June night. Under the new law the Federal Government can seize land without consent, make retroactive payments to a certain State, exclude other States from its provisions, and accept the recommendations of the politically appointed Federal Power Commission on an equal plane with the Army engineers—in reality the fact-finding reports of the latter no longer count by reason of orders given to the former.

In August the President announced that there were no funds available for flood control during the current fiscal year. However, the New England floods and hurricane changed the picture. Suddenly the President found \$11,000,000 for flood control which had not been available 2 months before. The New England Governors, remembering the famed Maryland bridges in the Tydings campaign, accepted the gesture as a typical jack-in-the-box to capture the New Deal for New England. The people of New England, however, are "a wiser and a tougher people," and swept Senator Brown and Congressman Koppleman and other anticompact representatives out of office. The preelection move to put the Republicans on the spot failed utterly. The sight of United States Army engineers marking out land for seizure did not dismay the descendants of the Green Mountain Boys. The spirit of Ethan Allen stalks abroad with the words of Governor Aiken: "We can fight or we can run."

In New Hampshire the Land Use Act of 1935 was invoked, denying the right of the Federal Government to acquire land without consent except for post offices, customhouses, and national defense. In his inaugural speech on January 5 Governor Murphy hoped that differences between the Federal and State Governments could be settled, for "to become involved in costly litigation with the national administration, with consequent long delays in undertaking needed flood control, would be unfortunate. We still entertain hope that adjustment can and will be made and a common basis of action arrived at." Upon his recommendation a special flood-control commission has been appointed by the New Hampshire Legislature.

There are two courses of procedure open to the States in the present deadlock, one legal, the other political. The States will probably take their case to the Supreme Court, basing their major claim that the Federal Government has no right under the Constitution to condemn land within a State without the State's consent. A constitutional restriction cannot be set aside by a statute passed by Congress such as the 1938 Flood Control Act. The States have indicated their intent to cooperate with the Federal Government on flood control after consent has been given, but they deny the right to condemn land for power purposes. They refuse to cooperate on this basis, and the Federal Government will have to prove its right to proceed against the will of the States.

Mr. RANKIN. Will the gentleman yield?

Mr. PLUMLEY. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman says he does not object to condemning the land, but does object to condemning the land for power purposes.

Mr. PLUMLEY. No; I did not say that. We do not object—

Mr. RANKIN. To condemning the land for power purposes?

Mr. PLUMLEY. We object to condemning the land and taking it without our consent.

Mr. RANKIN. What are you objecting to that for? The gentleman says he does not object to it being condemned for flood purposes, or for power purposes. Why does he object?

Mr. PLUMLEY. We object to it being taken without our consent.

Vermonters, as is evidenced by their action, are of the opinion that today the American principles of life, which have been taken more or less for granted, must be protected, even at the untold cost of blood and treasure. The hour has come for self-examination, and for extermination from our body politic of all legislation that threatens our

democracy. The States must retain their sovereign rights or else become branch offices of Washington.

The newly elected Members of Congress are entitled to know something of the background and the history of legislation pertinent to, and pertaining to the present situation. It may be stated for your information that, on the eve of adjournment of the last session of Congress the Senate approved an amendment to the flood-control bill which specifically empowered the Federal Government to take title, without the consent of the State affected, to lands desired for the construction of dams and reservoirs.

Senators from New England and from the Western States vigorously fought this amendment, pointing out that it overruled the policy approved under the Flood Control Act of 1936. This provided that property should not be condemned without the consent of the States concerned. Such arguments were of no avail, and the measure was rushed to passage with only a few people realizing the significance of a controversial amendment which carried the "must" label of the administration.

Indeed, the one feature of the flood-control act to which President Roosevelt gave unrestrained approval was this very amendment which the Governors of the six New England States are now preparing to fight as a challenge to States' rights and an invasion of State sovereignty. An illuminating light is thrown upon the underlying purpose of this amendment by the President's comment at the time of signing the bill:

Insofar as this bill provides for an improvement in jurisdictional control over the properties involved, and a more adequate control over consequential power developments, it is a definite step in the right direction.

In leading the opposition to this far-reaching encroachment on the States, Governor Aiken of Vermont shows that he is not hostile to the Federal Government's power program. Neither does he oppose flood control. On the contrary the State of Vermont has demonstrated its willingness to cooperate with the Federal authorities in carrying out their program in accordance with the terms of an agreement which Secretary Woodring has set aside. The issue, as Governor Aiken sees it, is "simply and solely the insistence of the Federal Government that it can take from us what it chooses, without any regard at all for our wishes or our rights."

Mr. RANKIN. Will the gentleman yield?

Mr. PLUMLEY. I yield to the gentleman from Mississippi.

Mr. RANKIN. The Government makes no attempt to take property without paying compensation to the owners, does it? It proposes to pay whatever this property is worth, does it not?

Mr. PLUMLEY. We do not propose that it take this property unless we say it may.

Mr. RANKIN. In other words, the gentleman is not kicking about the price; he is kicking about the consent feature?

Mr. PLUMLEY. That is correct.

Mr. REED of New York. Will the gentleman yield?

Mr. PLUMLEY. I yield to the gentleman from New York. Mr. REED of New York. Is it not a fact that a sovereign State entered into what appeared to be a perfectly fair contract with the State of Vermont?

Mr. PLUMLEY. With the Federal Government.

Mr. REED of New York. Yes. Vermont, a sovereign State, entered into a definite agreement with the Federal Government.

Mr. PLUMLEY. Orally.

Mr. REED of New York. Then attempted to repudiate that by an act of Congress, is that right?

Mr. PLUMLEY. That might be said to be true.

Mr. RANKIN. Will the gentleman yield?

Mr. PLUMLEY. I yield to the gentleman from Mississippi.

Mr. RANKIN. As a matter of fact, there never was any contract consummated between the State of Vermont and the Federal Government, was there?

Mr. PLUMLEY. As a matter of fact, the representatives of the Federal Government not only orally negotiated this



contract but reduced it to writing and submitted it to the State for the signatures of the State officials, which were appended thereto. When the contract was returned it was repudiated.

Mr. RANKIN. But it never was approved by the Federal Government. That is the fact, is it not?

Mr. PLUMLEY. It is all a question of who the gentleman thinks constitutes the Federal Government. In my opinion, the Secretary of War took his orders from the Commander in Chief. I cannot be made to believe that the Army engineers were sent to Vermont, made a survey and made their oral contract, reducing it to writing, and sending it to Vermont for signature without Mr. Woodring's tentative approval at that time. After that something happened.

Mr. RANKIN. If the gentleman will yield further, as a matter of fact, this contract never was approved by the Federal Government, was it?

Mr. PLUMLEY. It never was approved by the Commander in Chief, the President.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. PLUMLEY. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Has the gentleman presented, or will he include in his remarks, the proposed contract signed by the Government and the authorities of Vermont?

Mr. PLUMLEY. I will, yes; as well as the communications had with the War Department.

Mr. WHITTINGTON. And the letter of the Secretary of War dated January 5?

Mr. PLUMLEY. Yes.

Mr. WHITTINGTON. Is there any difference in the authority for Federal condemnation for dams under the Flood Control Act of 1938 and the power of the Federal Government to condemn for post-office sites, veterans' hospital sites, or for sites for dams involving reclamation in the far West and other condemnations?

Mr. PLUMLEY. The gentleman is well informed as to that and does not have to ask me. He is chairman of the Committee on Flood Control.

Mr. WHITTINGTON. If the gentleman wants the RECORD to show the facts, will he not admit that the Federal Government, in the instances mentioned as well as in other instances, has the right to condemn without the consent of the States in which the projects are located?

Mr. PLUMLEY. Yes; and we are going to undertake to repeal that.

Mr. WHITTINGTON. In other words, you are going to undertake to repeal the right of the Federal Government to construct a post office in Vermont unless your State consents in writing to the condemnation proceeding?

Mr. PLUMLEY. We are going to undertake to prevent the Federal Government from making further encroachments on the rights of the States.

Mr. WHITTINGTON. I may say to the gentleman, with his permission, that the power to condemn contained in the Flood Control Act of 1938 is a power similar to that contained in the reclamation acts under which dams have been constructed in the Western States for reclamation and irrigation purposes. This power is similar to the power contained in other Federal acts authorizing the Federal Government to condemn for public purposes in connection with the construction of public buildings.

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I ask unanimous consent that the gentleman from Vermont may be permitted to proceed for 5 additional minutes.

The SPEAKER pro tempore (Mr. MAY). Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. PLUMLEY. I yield to the gentleman from Mississippi.

Mr. RANKIN. There are some national forests in New England, are there not?

Mr. PLUMLEY. Yes.

Mr. RANKIN. Are there any in Vermont?

Mr. PLUMLEY. Yes.

Mr. RANKIN. Would the gentleman object to the Federal Government condemning and taking property on payment of due compensation, without getting somebody's consent?

Mr. PLUMLEY. Objection has been made.

Mr. RANKIN. They took it, though, did they not?

Mr. PLUMLEY. By consent.

Mr. RANKIN. Yes. Would the gentleman make that unanimous consent?

Mr. PLUMLEY. No.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. PLUMLEY. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Will the gentleman insert in his remarks any stipulation in any statute where consent is required for the condemnation of land for Federal forests? As a matter of fact, the Federal Government can condemn where it desires without the consent of the State. They have done it in New England as well as in other parts of the country.

Mr. PLUMLEY. Yes, but the State of Vermont has objected. I would want to check up on this statement. I would not want to make any wild statement.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. PLUMLEY. In just a moment.

The State of Vermont objected to the creation of a national parkway through the State of Vermont because it involved the taking of certain lands of the State of Vermont without the consent of the State. I can put information as to that in the RECORD, as well as anything else I can find on the subject.

Mr. WHITTINGTON. With respect to the national forests as well as the parkway, the gentleman's State has many more forests than parkways.

Mr. ENGLEBRIGHT. Mr. Speaker, will the gentleman yield?

Mr. PLUMLEY. I yield to the gentleman from California.

Mr. ENGLEBRIGHT. Is it not true that national forests are created by legislative enactment?

Mr. PLUMLEY. By act of Congress.

Mr. ENGLEBRIGHT. Therefore, the State through its duly elected Representatives has an opportunity to be heard with regard to the boundaries of such forests, whereas in this situation there is a broad power to exercise the right of eminent domain without the consent of the State being required or there being any opportunity for the wishes of the State to be considered. Is not that the difference?

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. PLUMLEY. I yield to the gentleman from Mississippi.

Mr. RANKIN. I wish to ask a question of the gentleman from Vermont, but may I say to him before propounding my question that there is not a chance in the world of getting this law changed. If the law cannot be changed, is the gentleman from Vermont willing to deny the people of Vermont and New England the benefits of flood control merely because the consent of some one up there is not obtained? The question here is flood control in New England. If the Federal Government is not permitted to proceed under the present law there will be no flood control in New England for the time being.

Mr. PLUMLEY. I understood that was threatened.

Mr. RANKIN. Not threatened, it is a statement. We are not going to let Vermont come here and change an entire law just to gratify someone's desire to have his consent required.

Mr. PLUMLEY. I have understood that was the attitude. Flood control is obviously a national problem, but it does not follow that effective control of floodwaters requires a centralization of power which would deprive the States of all voice in determining how such projects shall be developed. The States and their subdivisions have a very great stake in these undertakings and they are entitled to participate in deliberations on matters that vitally concern them.

Vermont's Governor has made it clear that he has no desire to obstruct the Federal Government in carrying out pro-

grams that are a matter of interstate and national concern. All he seeks to determine is whether the State has certain rights reserved to it under the Constitution which the Federal Government must respect. And even if the courts were to uphold the right of the Federal authorities to proceed with their flood-control program in Vermont without seeking the approval of the State, the method would still be open to condemnation. For it does violence to the basic principles upon which our Federal form of government is founded.

The obvious and the best solution of the controversy lies in repeal of the offending amendment and a return to the policies outlined under the Flood Control Act of 1936.

Governor Aiken has repeatedly pointed out that the issue is not confined to Vermont or its people. If the Federal Government is allowed to take land in Vermont without consent of the State, it could take oil wells in Texas and coal fields in West Virginia in the same manner, and other resources of any other State.

The issue is so plain it looms above the Presidential fog as does Mount Shasta over the fogs that drift eastward at its base.

The issue is not flood control; we have offered our cooperation for flood control and it has been arbitrarily refused—

Said Governor Aiken. The issue is—

not cheap power development by the Federal Government, because the agreement as signed by the State of Vermont did not prevent the Federal Government from developing power. The issue is simply and solely the insistence of the Federal Government that it can take from us what it chooses, without any regard at all for our wishes or our rights.

It is a fact that in recent years the Federal Government has been steadily invading the realm hitherto reserved to State jurisdiction, and it has been doing so with very little resistance from the States themselves. The chief reason has been that Federal intervention has usually been accompanied by the expenditure of Federal funds in the States. The States have been bribed into acquiescence, as ex-President Coolidge once suggested they would be under such a policy; but the irony of the situation has been that they have been bribed with their own money. Federal funds are not manna from heaven. They must come ultimately from the citizens of the individual States, for the simple reason that there is nowhere else from which they may come.

And if the Federal Government be permitted to take the property of the States, from what source, may I ask, can the States eventually hope to derive any revenue, and must they not, therefore, eventually lose their identity, sovereignty, and become just cogs in the big machine, the power for which has been accumulated by and through just such means and measures as are herein involved? That is the issue.

So there is more than much to be said for the necessity of preservation of the rights of the States and for the decentralization of political power in order to prevent its dangerous centralization and concentration in the hands of any one group or any one man.

The right of the States to self-preservation, self-determination, and the continuance of orderly democratic government is the issue, when the fog of flippancy is dispelled by the sunlight of fact.

I read with interest, and I desire to direct your attention to an editorial which appeared in the Washington Post this Monday morning:

As a result of Governor Aiken's vigorous stand against Federal acquisition of land in Vermont without that State's consent, the White House has announced that it will make no effort to force through the flood-control project at Union Village. The Governor seems to be justified in assuming that the President fears a test of the issue in the courts.

In thus recognizing the right of Vermont to be consulted as to the acquisition of land within its borders for flood-control projects, however, the administration seeks to impose a severe penalty upon that State. The much-needed flood-control project at Union Village is to be canceled. Since the State refuses to surrender its rights, its people will be left to combat potential floods without the Federal aid offered to less independent Commonwealths.

As spokesman for the President, Stephen T. Early tries to evade the real issue by saying that other States will be glad to use the flood-control funds which the War Department was planning to spend in Vermont. He would like to leave the impression that the Granite State is not interested in protection from floods. Actually

the State is willing to turn over the desired reservoir site to the Federal Government. It refuses only to acknowledge the right of Federal agencies to take the land without its consent.

Of course, the White House is entirely right in saying that the Flood Control Act gives it the right to take land for flood-control purposes without consent of the States. But Mr. Early falls into serious error when he contends that "there was no resentment" when this measure was passed. The Senate Chamber rang with resentment when it was discovered that an amendment permitting such encroachment upon States' rights had been written into the flood-control bill during the preadjournment rush, with little or no consideration of the principle at stake.

That blunder on the part of an over-worked Congress cannot be corrected simply by denying flood protection to States which insist on maintaining their rights. The act should be amended to restore the traditional requirement of consent from the States before their land may be doomed for this Federal program. In effect, the President has recognized the undesirability of overriding the wishes of a State in matters of this sort. This being the case, he cannot reasonably ask that the means of coercing the States into a surrender of vital rights be left in his hands.

That is comprehensive in its coverage, and it reflects the attitude and state of mind of the average person this country over.

Mr. Speaker, we are a free people because freedom has been the American ideal from the first days of the Republic, an ideal embodied in the opening words of the Declaration of Independence and firmly planted in the Constitution. But it has taken centuries of time and oceans of blood to achieve and secure those elemental freedoms embodied in our Bill of Rights, and should they be lost the whole agonizing path might have to be trod once more before happier generations would know again such liberty of person and freedom of spirit. Freedom stands only so long as free men make it stand against the winds of intolerance and abuse.

As the Representative of the people of Vermont, I will be pardoned I know, if I insist that you must understand them in order not to misunderstand the situation which has arisen. At every high point in history since the Green Mountain Boys laid claim to the territory they now occupy and know and love as Vermont, the everyday unknighted, unplumed citizens of that little State, unmoved by aught save their sense of duty, have stood in the ranks, done the day's work, asked naught of any man, served the State and saved the Nation, and they will do it again.

Compelled since the earliest days of their occupancy of the territory now known as Vermont on account of its exposed situation to face dangers of various kinds, and being accustomed to remove obstacles and to surmount difficulties by their personal exertions, they have acquired an unlimited confidence in their own ability, and imbibed the loftiest notions, with respect to what constitutes liberty and independence.

They are very practically minded; they may not be theorists; they may not be philosophers, but they have a theory and a philosophy, that every man and woman has a right to make of himself and herself everything, and whatever can be made, without Government aid or interference.

They have no utopian theory of a "more abundant life" than that they can carve out for themselves. They are the descendants, and they possess the characteristics and qualifications of their forbears, who fought for and wrought out the principles of civil and religious liberty, which are the foundation of, and were the starting point of all free institutions.

They have the innate, intense, and ineradicable notion that a man has a right to be free and to be secure in those rights guaranteed to him under the Bill of Rights.

The fundamental grounds which underlie our whole Government and our national life cannot be attacked, cannot be denied, cannot be made light of without serious danger to our entire political fabric.

Liberty—

Said President McKinley—

is responsibility, and responsibility is duty, and that duty is to preserve the exceptional liberty we enjoy, within the law, and for the law, and by the law. God grants liberty only to those who love it, and are always ready to guard and defend it.

[Applause.]



The SPEAKER pro tempore (Mr. COCHRAN). Under a previous order of the House, the gentleman from Mississippi [Mr. RANKIN] is recognized for 10 minutes.

Mr. RANKIN. Mr. Speaker, when I hear the gentleman from Vermont preaching to us the doctrine of State's rights I am reminded of the old adage, "Beware of the Greeks when they come bearing gifts."

If this new State's rights doctrine preached by the gentleman from Vermont were put into practice you could not build a post office in a single State of the Union if someone in a high official position in the State, such as the Governor, objected, even though such objection were prompted, as in my opinion this one is, by the selfish interests that are plundering the people of New England to the extent of more than \$100,000,000 a year in overcharges for electric lights and power.

If the doctrine preached by the gentleman from Vermont had been put into practice we would not have built the veterans' hospital in Vermont—which I, as chairman of the veterans' committee, supported—without the consent of the Governor and the legislature.

If the doctrine preached by the gentleman from Vermont were the law of the land we could not do anything to control floods in New England or in any other State in the Union where some influence had control of the Governor or one branch of the State legislature. We would have to do it by a new form of unanimous consent.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Just for a question.

Mr. EBERHARTER. Does the gentleman know whether or not the Federal Government ever had any difficulty in getting the consent of any State in the Union for its flood-control projects?

Mr. RANKIN. I want to tell the gentleman what is behind all this fight.

Mr. EBERHARTER. Can the gentleman answer my question?

Mr. RANKIN. Yes; I am going to answer the gentlemen and tell him what is behind all this fight. They have been coming down here demanding ratification of the New England compact covering the six New England States.

The main influence behind this movement, in my opinion, is the Power Trust in New England, so that unless such development as it wanted was brought about, they could kill the whole program. This is what is behind this fight now—the power companies in New England that are overcharging the people of the New England States alone more than \$100,000,000 a year. If the people of New England paid the same rates for electric power that they are paying just across the line in Ontario, Canada, they would save at least \$100,000,000 a year.

Under this old compact, if it had been ratified, the Power Trust would have been able to influence at least one State administration, so that it would have been utterly impossible to operate under it. When the flood control bill came to the House last year, it did not contain this provision. This provision was prepared in my office. I got it passed upon and approved and sent to the Senate in order that we might proceed to develop the water power in New England, not only to control the floods and promote navigation, but that we might use it for the people of New England for all time to come to generate hydroelectric power.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. No; I must decline to yield further.

The people of New England have no coal, they have no oil, they have no gas, their soil ordinarily is poor—

Mr. PLUMLEY. I take exception to that.

Mr. RANKIN. The greatest wealth of New England is her waterpower. It is her greatest natural resource, and yet they are not permitted to use it. That is the reason this fight is being brought on here. Certain interests do not want us to make it possible for them to do so.

Oh, I know that Governor Aiken imagines he is running for President on the Republican ticket. Why, he might as

well forget it. Any man who offers for President in 1940, with the stamp of the Power Trust's approval will simply have the "kiss of death" upon his brow to begin with. [Applause.]

The American people have learned what electricity is worth and we are going to keep informing them through the CONGRESSIONAL RECORD.

Now, let us see what is behind this fight. There never was any contract entered into between the Governor of Vermont and the United States Government, and there is not going to be one entered into that will in any way impair the present law. We are not going to change that law. You might as well understand that now. If a few of you men from New England want to kill flood control in New England in order to gratify the cupidity of the Power Trust in those States, we will know it, because it will be exposed from the floor of the House; but we are not going to change this law. Those provisions are permanent.

The Federal Power Commission, when it made its investigation, brought back a report recommending the building of these dams and the insertion of pen stocks for the generation of hydroelectric power. That is what they are kicking about; they do not want these pen stocks put in these dams. They do not want any hydroelectric power generated in New England. They seem to prefer that the Power Trust, that apparently runs the politics of that section of the country at this time, continue to wring its pound of flesh from the struggling people of New England as they are doing today.

Oh, I know they proposed a contract to the Federal Government, but the Federal Government is not going to enter into any such treaty with any one of those States. Under the old compact, which was never ratified, you never could have done anything except build some levees, probably, with the result that you would have had recurrent floods, each worse than the one before; but under this law, which, in my opinion, is the best statute of its kind that has been passed in your day and mine, they cannot only go there and control the floods and save the lives and the property of the people of New England, they cannot only give them transportation and waterways that will guarantee them commercial intercourse with the rest of the world, but they can also develop the greatest natural resource in all New England, outside of the soil from which they live, and that is the hydroelectric power in those streams, and distribute it to the people of New England at what it is worth.

If that is done, it will reduce light and power rates in New England \$50,000,000 a year within the next 3 or 4 years.

Remember that under the old proposed compact the people of Vermont would have had to contribute a part of the cost of this dam. Under the present law the Federal Government pays the entire cost and take title to the land involved, and has complete control. That does not suit the Power Trust. They want to get their fingers in it. Therefore, this demand for unanimous consent.

I have the rates in my office in every town in Vermont and I ask unanimous consent that I may extend my remarks in the RECORD to include that table to show how badly those people are overcharged for electricity. It will show that practically every one of them is overcharged 100 percent.

The SPEAKER pro tempore (Mr. COCHRAN). Is there objection to the request of the gentleman from Mississippi?

Mr. RICH. Mr. Speaker, I reserve the right to object. How much of the RECORD will this table take?

Mr. RANKIN. It will probably take not over a page; certainly not over a couple of pages.

Mr. RICH. The gentleman knows that he has put a great deal into the RECORD already on that subject.

Mr. RANKIN. Oh, yes; and I shall put in some more. Let me say to the gentleman from Pennsylvania that I am one of the best Representatives his district has ever had in the House. Those facts that I have put into the RECORD have forced a reduction of power charges in his district more than anything that the Republican Party ever did in its 50 years of administration.

Mr. RICH. The gentleman said something about my district, and I think that I ought to defend my district.

Mr. RANKIN. Oh, no; I am taking care of the gentleman's district.

Mr. RICH. Oh, no; that is my duty.

Mr. RANKIN. Oh, yes; I shall take care of the gentleman's district.

Mr. RICH. I am representing that district, and trying to do everything for it under the sun, but when I find out that the gentleman is trying to put the Government in business in everything, in every line, to the detriment of the people of my district, and that he is building up everything for the people down there in Mississippi, even to the extent of building factories, and trying to take the industries from my State, I think I have a right to complain.

Mr. RANKIN. Mr. Speaker, I did not yield to the gentleman for a speech.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Mr. RICH. Oh, no. If the gentleman is going to help anybody, let him go ahead. I have no objection.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. SIROVICH. Mr. Speaker, I ask unanimous consent that the time of the gentleman from Mississippi be extended for 10 minutes.

The SPEAKER pro tempore. There is a previous order of the House. The Chair asks the gentleman from Pennsylvania if it is agreeable to him to have the time of the gentleman from Mississippi extended for 10 minutes?

Mr. RICH. O Mr. Speaker, already I have said that if the gentleman can help anybody let him go ahead.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, I shall take a moment or two to reply to the gentleman from Pennsylvania [Mr. RICH]. When this administration came into power the people of Pennsylvania were overcharged from \$85,000,000 to \$104,000,000 a year or more for electricity. The utilities owned \$100,000,000 worth of property in Pennsylvania that was escaping taxation. They were piling that burden onto the masses of the people, and at the same time were charging exorbitant power rates, overcharging the people of Pennsylvania alone from \$85,000,000 to \$104,000,000 a year. We have reduced those rates and given a reduction to the people of Pennsylvania of about \$40,000,000 a year, and that has been accomplished because of the fact that I and other men who believe as I do have fought for it in the House and the Senate, with the assistance and support of the present President of the United States. So far as building factories in my country is concerned, there is nothing to it. No factories have been built in my district by any Federal aid. But the Power Trust has intimidated such from one end of the country to the other because I have wrung their hands loose from the people of the district I represent, and if you will stay with us we will do the same thing for the people of every other congressional district in the United States.

Mr. PLUMLEY. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes; for a question.

Mr. PLUMLEY. I desire to make a statement in answer to the one the gentleman made. I know of the gentleman's information and enthusiasm on that subject.

Mr. RANKIN. I ask the gentleman not to use up my time.

Mr. PLUMLEY. I am not going to, but when the gentleman refers to the soil of Vermont as not being fertile, he is misinformed, and I am sure he would not care to go on record in that way, because we raise more bushels of wheat and corn and potatoes and every other agricultural product to the acre than any other State in the Union.

Mr. RANKIN. Yes; and it takes every bit of it to pay your electric bills. [Laughter.]

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. For a question.

Mr. VOORHIS of California. Will the gentleman explain briefly to the House what happened to the money spent

to pay these exorbitant electric bills if these rates were put down to where they belong?

Mr. RANKIN. I will tell you what would happen. If you will reduce those rates to the Ontario levels, the use of electrical appliances in that country will grow by leaps and bounds. We had to pay the same rates you have in my home town of Tupelo, when 19 percent of the consumers in that town had electric refrigerators. We have reduced those rates and today 90 percent of them have electric refrigerators.

Not only that, but they have increased the use of electric ranges, washing machines, electric irons, vacuum cleaners, water pumps, and everything else that goes to relieve human drudgery and contributes to the happiness and prosperity of the American home. We have promoted a program of rural electrification. Under it the highest rate that is paid in my district is 4 cents per kilowatt-hour. There is not a man in the gentleman's district, except in one little town—and his district covers the whole State—there is not a man in Vermont that I can find, except in one small town, that is not paying twice that rate, although right across the line in Ontario they are buying power cheaper than we are getting it in Tupelo or anywhere else in the Tennessee Valley area.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. HOFFMAN. Does not the gentleman know that we did all of that in our own little town, without any Government help, except that they loaned us the money on which they made a profit when they sold the bonds?

Mr. RANKIN. Yes. I know what you did. You live in Allegan, and the rates there are below the average.

I have gone through the electric rates of every congressional district in the United States. What we are trying to do is to break these rates down to the people, so that they can get cheap electricity, in order that they may enjoy the great blessings of modern civilization.

We are behind every other country on earth almost in rural electrification. Every country in Europe has 90 percent of its farms electrified. Some of them 100 percent. Even in New Zealand, that far off country, 65 percent of the farms are electrified. In this country less than 15 percent of them are electrified. In New England, where you need it most, those farmers who do get electricity have to pay such enormous rates for it that they cannot use it, except for the most meager purposes. If you will let us alone we will develop the water power of New England, and the people of those States will not only use it for the purposes I have mentioned, but they will use it to heat their homes.

I know some of you coal men oppose us on this, but you injure the coal business by doing so. You can generate power by coal in any State in this Union that has a coal mine, and distribute it at the T. V. A. yardstick rates and make money. But the Power Trust will not let you.

All the pressure of the Power Trust is being brought to bear today on Vermont, just as it was on Alabama, to try to get the State of Alabama to attempt to confiscate Muscle Shoals. It is brought to bear just as it was in Tennessee, trying to break up the efforts of those cities and towns and rural districts to get cheap electricity.

But they say, "We do not mind your spending money for flood control, we do not mind your spending money for veterans' hospitals, we do not mind your spending money for power, but we want you to get unanimous consent of every Governor in New England."

Now, what does that mean? It simply means you will never have any flood control in New England. It means that if we were to comply with that request, this law would be dead, and flood control in New England would be at a standstill for all time to come. Because we never would get together. Do not you men get the idea that you are going to elect a Republican ticket with the Power Trust tied around its neck. That is impossible. You may carry some of the New England States—not all of them—but the rest of the country has moved off and left you. A Power Trust candidate for the Presidency in 1940 will not stand any more



chance to be elected than the Republican elephant would to hang from a horizontal bar by his eyebrows. If the Power Trust is going to try to elect a President that will destroy what this administration has done, and deny to the people of New England the right to have their water power developed and their power distributed at what it is worth, and bring up the question of unanimous consent in order to block it, and then destroy all the other good things this administration has done, then they might as well forget it, because the American people have moved away from that doctrine.

Now, Mr. Speaker, I ask unanimous consent to insert in the RECORD the T. V. A. rates, the Ontario rates, and some other rates at this point to compare with the Vermont rates.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I insert below the light and power rates charged domestic consumers up to 100 kilowatt-hours per month under the Ontario rates, which are charged just across the line from Vermont; under the Tacoma rates, charged at Tacoma, State of Washington; and under the T. V. A. rates.

Just below it I insert a table showing the residential rates up to 100 kilowatt-hours now charged in every town in the State of Vermont. The reason I am stopping at 100 kilowatt-hours a month is that the average consumer in Vermont uses less than that amount.

From these tables you will see that practically every domestic consumer in the State of Vermont is overcharged 100 percent for electric light and power.

Table of comparative monthly rates—Residential service

Rates	MONTHLY CONSUMPTION			
	Kilowatt-hours			
	25	40	60	100
Ontario.....	\$0.75	\$1.02	\$1.54	\$1.74
Tacoma.....	1.13	1.52	1.72	2.12
Tennessee Valley Authority.....	.75	1.20	1.70	2.50

TABLE 1.—Vermont—Typical net monthly bills, Jan. 1, 1938—Residential service, communities of 250 population or more

Community	Population	Lighting and small appliances			
		Minimum bill			Lighting, small appliances, and refrigeration—100 kilowatt-hours
		Amount	Kilowatt-hour included	15 kilowatt-hours	
Albany.....	633	\$1.00	9	\$1.65	\$2.50
Arlington.....	550	1.00	12	1.20	2.00
Barre.....	11,307	1.00	11	1.28	1.98
Barton.....	1,363	.92	10	1.27	2.05
Beechers Falls.....	480	1.00	12	1.20	2.00
Bellows Falls.....	3,930	1.00	11	1.28	1.98
Bennington.....	7,390	1.00	12	1.20	2.00
Benson.....	600	1.00	12	1.20	2.00
Bethel.....	1,500	1.00	12	1.20	2.00
Bloomfield.....	287	1.00	12	1.20	2.00
Bromoseen.....	253	1.00	12	1.20	2.00
Bradford.....	598	1.00	12	1.20	2.00
Brandon.....	1,731	1.00	12	1.20	2.00
Brattleboro.....	8,709	1.00	12	1.20	1.85
Bristol.....	1,190	1.00	12	1.20	2.00
Burlington.....	24,789	1.00	15	1.00	1.66
Canaan.....	426	1.00	12	1.20	2.00
Castleton.....	800	1.00	12	1.20	2.00
Cavendish.....	539	1.00	9	1.65	2.55
Center Rutland.....	760	1.00	12	1.20	2.00
Chelsea.....	250	1.00	12	1.20	2.00
Chester.....	684	1.00	9	1.65	2.55
Concord.....	353	1.00	12	1.20	2.00
Danby.....	350	1.00	12	1.20	2.00
Danville.....	500	1.00	12	1.20	2.00
Derby Center.....	300	1.00	10	1.50	2.40
Derby Line.....	683	.75	10	1.05	1.35
Dorset.....	300	1.00	12	1.20	2.00
East Arlington.....	500	1.00	12	1.20	2.00
East Barre.....	650	1.00	11	1.28	1.98
East Burke.....	250	1.00	12	1.20	2.00

TABLE 1.—Vermont—Typical net monthly bills, Jan. 1, 1938—Residential service, communities of 250 population or more—Con.

Community	Population	Lighting and small appliances			
		Minimum bill			Lighting, small appliances, and refrigeration—100 kilowatt-hours
		Amount	Kilowatt-hour included	15 kilowatt-hours	
East Concord.....	285	\$1.00	12	\$1.20	\$2.00
East Dorset.....	350	1.00	12	1.20	2.00
East Fairfield.....	250	1.00	12	1.20	1.88
East Middlebury.....	325	1.30	13	1.50	2.50
East Poulney.....	306	1.00	12	1.20	2.00
Enosburg Falls.....	1,195	1.00	12	1.18	1.88
Essex Center.....	250	1.00	11	1.28	1.98
Essex Junction.....	1,621	1.00	11	1.28	1.98
Fair Haven.....	2,289	1.00	12	1.20	2.00
Fairfax.....	500	1.00	12	1.20	1.88
Fletcher.....	300	1.00	12	1.20	1.88
Florence.....	400	.50	5	1.35	2.22
Forest Dale.....	400	1.00	12	1.20	2.00
Georgia.....	500	1.00	12	1.20	1.88
Gilman.....	750	1.00	12	1.80	3.00
Graniteville.....	1,000	1.00	11	1.28	1.98
Greensboro.....	400	1.00	11	1.35	2.10
Greensboro Bend.....	330	1.00	11	1.35	2.10
Groton.....	437	1.00	11	1.28	1.98
Hardwick.....	1,667	1.00	14	1.05	1.60
Hartford.....	1,500	1.00	11	1.28	1.98
Highgate Center.....	437	1.00	10	1.40	2.20
Hubbardton.....	250	1.00	12	1.20	2.00
Huntington Center.....	310	1.00	11	1.28	1.98
Hyde Park.....	313	.62	7	1.35	2.35
Hydeville.....	500	1.00	12	1.20	2.00
Irasburg.....	450	1.00	9	1.65	2.50
Island Pond.....	2,001	1.00	10	1.50	2.40
Jeffersonville.....	305	1.00	12	1.20	1.88
Johnson.....	659	.83	12	.98	1.58
Leicester.....	400	1.00	12	1.20	2.00
Ludlow.....	1,642	1.00	16	1.00	1.50
Lunenburg.....	650	1.00	12	1.20	2.00
Lyndon.....	275	1.00	12	1.20	2.00
Lyndon Center.....	297	1.00	12	1.20	2.00
Lyndonville.....	1,559	1.00	12	1.20	2.00
Manchester.....	337	1.00	12	1.20	2.00
Manchester Centre.....	765	1.00	12	1.20	2.00
Manchester Depot.....	300	1.00	12	1.20	2.00
Middlebury.....	2,003	1.00	12	1.20	2.00
Middletown Springs.....	250	1.00	12	1.20	2.00
Milton.....	641	1.00	12	1.20	1.88
Montgomery Center.....	450	1.00	10	1.50	2.40
Montpelier.....	7,837	1.00	11	1.28	1.98
Morrisville.....	1,822	.08	.98	1.58	2.48
Newbury.....	399	1.00	12	1.20	2.00
Newport.....	5,094	1.00	11	1.35	2.25
Newport Center.....	288	1.00	11	1.35	2.25
North Bennington.....	933	1.00	12	1.20	2.00
North Clarendon.....	262	1.00	12	1.20	2.00
North Fownd.....	680	1.00	12	1.20	2.00
North Springfield.....	450	1.00	12	1.20	2.00
North Troy.....	1,045	1.00	10	1.50	2.40
North Westminster.....	325	1.00	11	1.28	1.98
Northfield.....	2,075	1.00	12	1.33	1.88
Northfield Falls.....	350	1.00	12	1.33	1.88
Norton.....	300	1.00	10	1.50	2.50
Norwich.....	600	1.00	11	1.28	1.98
Orleans.....	1,301	.98	12	1.18	1.96
Orwell.....	496	1.00	12	1.20	2.00
Passumpsic.....	250	1.00	12	1.20	2.00
Pittsford.....	637	.50	5	1.35	2.22
Pittsford Mills.....	403	.50	5	1.35	2.22
Plainfield.....	447	1.00	11	1.28	1.98
Poulney.....	1,570	1.00	12	1.20	2.00
Proctor.....	2,515	1.00	13	1.15	1.92
Proctorsville.....	669	1.00	16	1.00	1.50
Putney.....	350	1.00	11	1.28	1.98
Quechee.....	300	1.00	10	1.50	2.50
Randolph.....	1,957	1.00	12	1.20	2.00
Readsboro.....	722	1.00	10	1.50	1.90
Richford.....	1,783	1.00	10	1.50	2.40
Richmond.....	718	1.00	11	1.28	1.98
Rochester.....	750	1.00	12	1.20	2.00
Rutland.....	17,315	1.00	12	1.20	2.00
St. Albans.....	8,020	1.00	12	1.20	1.88
St. Johnsbury.....	7,920	1.00	12	1.20	2.00
St. Johnsbury Center.....	400	1.00	12	1.20	2.00
Saxtons River.....	670	1.00	11	1.28	1.98
Sharon.....	300	1.00	12	1.20	2.00
Shelburne.....	300	1.00	11	1.28	1.98
Sheldon.....	400	1.00	12	1.20	1.88
Sheldon Springs.....	380	1.00	12	1.20	1.88
Shoreham Center.....	340	1.00	12	1.20	2.00
South Barre.....	400	1.00	11	1.28	1.98
South Burlington.....	700	1.00	11	1.28	1.98
South Poulney.....	360	1.00	12	1.20	2.00
South Royalton.....	800	1.00	12	1.20	2.00
South Ryegate.....	337	1.00	11	1.28	1.98
South Shaftsbury.....	510	1.00	12	1.20	2.00
South Troy.....	250	1.00	10	1.50	2.40
South Woodstock.....	250	1.00	10	1.50	2.50
Springfield.....	4,943	1.00	12	1.20	2.00

TABLE 1.—Vermont—Typical net monthly bills, Jan. 1, 1938—Residential service, communities of 250 population or more—Con.

Community	Population	Lighting and small appliances				
		Minimum bill		15 kilowatt-hours	25 kilowatt-hours	40 kilowatt-hours
		Amount	Kilowatt-hours included			
Stowe	531	\$0.52	5	\$1.30	\$2.10	\$3.30
Swanton	1,558	1.00	10	1.40	2.20	2.83
Taftsville	308	1.00	10	1.50	2.50	3.55
Vergennes	1,705	1.00	11	1.28	1.98	3.03
Wallingford	700	1.00	12	1.20	2.00	2.90
Waterbury	1,776	1.00	11	1.28	1.98	3.03
Webster	700	1.00	11	1.28	1.98	3.03
Wells River	553	1.00	11	1.28	1.98	3.03
West Arlington	250	1.00	12	1.20	2.00	2.80
West Brattleboro	560	1.00	12	1.20	1.85	2.60
West Burke	359	1.00	10	1.50	2.50	3.40
West Dummerston	275	1.00	12	1.20	1.85	2.60
West Lincoln	256	1.00	12	1.20	2.00	2.90
West Pawlet	1,050	1.00	12	1.20	2.00	2.90
West Rutland	2,500	1.00	12	1.20	2.00	2.90
West Topsham	300	2.50	20	2.50	2.88	4.00
Westfield	250	1.00	10	1.50	2.40	3.60
Westminster	320	1.00	11	1.28	1.98	3.03
White River Junction	2,690	1.00	11	1.28	1.98	3.03
Wilder	600	1.00	11	1.28	1.98	3.03
Williamstown	350	1.00	11	1.28	1.98	3.03
Wilmington	611	1.00	11	1.28	1.98	3.03
Windsor	3,689	1.00	12	1.20	2.00	2.90
Winooski	5,308	1.00	15	1.00	1.65	2.66
Woodstock	1,312	1.00	10	1.50	2.50	3.55

Mr. RANKIN. Now, Mr. Speaker, I have here the letter and statement of the Secretary of War.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has again expired.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore. Is that agreeable to the gentleman from Pennsylvania [Mr. RICH]?

Mr. RICH. Surely. If you give him 5 minutes, then I will ask for 5 additional minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. RANKIN. Now, Mr. Speaker, understand we are not trying to take this property without due process of law. The Federal Government is not trying to confiscate this property.

It proposes to pay every dollar it is worth. It is not trying to injure anybody. It proposes to go in there, build this dam and reservoir for the benefit of the people of Vermont, and to pay whatever this property is worth. I have before me a statement from the Secretary of War that I want to read into the RECORD at this point:

JANUARY 5, 1939.

HON. GEORGE D. AIKEN,

Governor of Vermont, Montpelier, Vt.

DEAR GOVERNOR AIKEN: With further reference to my letter of October 26, 1938, advising you that funds had become available for the construction of a flood-control dam near Union Village, Vt., I desire to advise you further that the preparation of plans and specifications for this structure has now proceeded to the point where the project may be advertised for actual construction in the very near future.

It is desired to begin construction at this locality as promptly as possible in order to provide the people of the State of Vermont and of the lower States with flood-control benefits at the earliest practicable date.

Now listen carefully to this:

In order to accomplish this purpose, I shall be pleased to accept the cooperation which you have so kindly offered, to acquire through your board of public works the necessary lands, easements, and rights-of-way in the manner authorized in title 21, sections 4974 and 4975, of the Public Laws of the State of Vermont, and to continue this procedure unless experience, not now foreseen, discloses difficulties in this method. The provisions of the above State statutes appear to conflict in no way with section 2 of the Flood Control Act approved June 28, 1938. In view of these things, I do not feel that it will be necessary to complete the drafts of

formal agreements which have previously been prepared covering this proposed procedure.

In order that there may be no delay in initiating construction of the Union Village Dam, I trust I may receive your early and favorable reply to the views expressed above.

Sincerely yours,

HARRY H. WOODRING,  
Secretary of War.

Commenting on that, Secretary Woodring says:

My sole interest is to carry out the provisions of the Flood Control Act of 1938, which are as follows:

"\* \* \* Notwithstanding any restrictions, limitations, or requirement of prior consent provided by any other act, the Secretary of War is hereby authorized and directed to acquire in the name of the United States title to all lands, easements, and rights-of-way necessary for any dam and reservoir project or channel improvement or channel rectification project for flood control, with funds heretofore or hereafter appropriated or made available for such projects; and States, political subdivisions thereof, or other responsible local agencies shall be granted and reimbursed, from such funds, sums equivalent to actual expenditures deemed reasonable by the Secretary of War and the Chief of Engineers and made by them in acquiring land, easements, and rights-of-way for any dam and reservoir project or any channel improvement or channel rectification project for flood control heretofore or herein authorized: *Provided*, That no reimbursement shall be made for any indirect or speculative damages \* \* \*"

As Secretary of War, I am proceeding under these provisions by which the United States Government expends the Federal taxpayers' money for complete flood control by building dams and reservoirs—in this instance in the State of Vermont—without the expenditure of one cent by the State.

Notice, not a cent is demanded. The Governor did not object to the fact that it would not cost the State of Vermont one cent. The only cent it would cost Vermont was unanimous consent.

I propose to follow the same procedure in Vermont as I have since the passage of the act in New York and in other States. I cannot accept lands transferred to the Federal Government if any restrictions are imposed by the State.

That is what the consent demanded is about. They want to put some strings onto it, and the strings would be that there should be no penstocks in these dams; therefore, no hydroelectric power generated.

I have served as Governor of a State myself, and I do not concede to Governor Aiken, nor to any other person in the United States, a greater championship of States' rights. The War Department stands ready to cooperate with Governor Aiken, of Vermont, or any other State in the Union, in carrying out this Federal act according to the tenets of said act. In view of these facts, the responsibility for any delay in providing much-needed flood protection in the Connecticut Valley lies squarely with the Governor of Vermont.

Mr. Speaker, that is the whole story. The entire effort is to keep us from developing the hydroelectric power of that territory for the benefit of the people of New England. [Applause.]

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Pennsylvania [Mr. RICH] is recognized for 10 minutes.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. MAPES. Mr. Speaker, will the gentleman from Pennsylvania yield?

Mr. RICH. I yield.

Mr. MAPES. Mr. Speaker, I ask unanimous consent that the gentleman from Montana [Mr. THORKE] may address the House for 10 minutes at the conclusion of the speech of the gentleman from Pennsylvania [Mr. RICH].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RICH. Mr. Speaker, I had intended to address myself solely to one single subject, but I must digress for just a minute to comment on the speech of the gentleman from Mississippi [Mr. RANKIN]. I like the gentleman from Mississippi very much, and I sometimes believe he is most sincere in what he is trying to do; but when he tells you that the utilities of Pennsylvania and of this country have picked the pockets of the consumer, I ask myself where the greatest condemnation lies; whether against the individual picking the pockets of the consumers of this country, or whether



against politicians picking the pockets of the people of this country. In the past 3 or 4 years we have made so many radical and ridiculous expenditures of Government funds that we have increased our debt more than twice; we have increased it from nineteen and one-half billions in 1933 to thirty-nine and one-half billions in 1939—6 years increased more than 100 percent political pickpockets work. The debt is so huge and so staggering that it will take not only our children but our children's children, our children's children's children, and our children's children's children's children to pay the bill these New Deal politicians of the F. D. Roosevelt dynasty have unloaded on the people of this Nation. I can think of nothing more ridiculous or more unbusinesslike than the debts this administration has heaped upon the American people. It is a mystery to me how they figure the debts can be paid. Where are you going to get the money?

I am not going to talk so much about Government finances at this moment as I am about Government laws. Mr. Speaker, I take this opportunity to congratulate the people of Pennsylvania, for tomorrow they will induct into office as Governor, Arthur H. James, an honorable, upright, conscientious man, qualified in every way to be the Governor of a great State. [Applause.]

He follows 4 years of New Deal rule. Until Governor Earle came into power the Keystone State had been governed by a Republican administration for 40 years. I venture the assertion, however, that it will require the Republicans almost another 40 years to get Pennsylvania out of the awful condition it finds itself in after 4 years of New Deal rule. It is not Democratic rule, it is New Deal rule; and I may say that it has been the worst administration Pennsylvania has ever had. We are hoping, however, that we may find ourselves in the position where we shall be able to overcome some of the obstacles and handicaps bequeathed to us by these 4 years of misrule.

Tomorrow will be a great day in the history of Pennsylvania. We hope, we pray, and we wish for the best of luck to the new Governor and to the legislature and his co-workers, that he may have cooperation to give the people of this great State an honest and conscientious administration of their affairs; an administration that will be a credit to a great State, an administration that will be honest, an administration that will be constructive, an administration that will be for the best interest of the people who inhabit the State, and to our Nation as well. I have hopes of all things that are good for our people.

Mr. RANKIN. Will the gentleman yield?

Mr. RICH. I yield to the gentleman from Mississippi.

Mr. RANKIN. The new administration which the gentleman talks about surely will not destroy the progress made in reducing the light and power rates for the people of Pennsylvania, will it?

Mr. RICH. Anything good that the past administration has given Pennsylvania, I can assure the gentleman from Mississippi, will be retained because the Republican Party has always been constructive and will do whatever is for the best interest of the greatest number of people.

Mr. RANKIN. That is all right. I hope that policy will be carried forward.

Mr. RICH. Mr. Speaker, I want to read to the Members of the House a statement I received from the president of a bank in reference to his annual statement to the stockholders:

The first item in the statement is the amount invested in United States Government obligations aggregating two and a half million dollars. This amount is abnormally large, and the determination of how much of the bank's funds should be thus invested, and what maturities should be held, is one of the most important and difficult problems facing your directors and officers. Of the amount stated, over 75 percent represents maturities of from a few months to 5 years. The balance represents maturities averaging about 7 years.

The principal reasons for investing so heavily in Government obligations are: The almost total lack of demand for desirable commercial loans; the uncertainties confronting the business world because of reckless spending on the part of both the State and Federal administrations, and the excessive, burdensome taxation

necessary to meet these expenditures; the constantly changing financial and economic policies of the Federal administration; the unfairness to business in certain provisions of the National Labor Relations Act, which threatens the closing down of many enterprises in nearly every line of industry; and the likelihood of wide fluctuations in bond prices as a consequence of these several causes.

It is impossible for our economic machine to run indefinitely on money borrowed and spent by the Government.

This is a subject that could be discussed at length. Suffice to say that, in my judgment, no permanent improvement can be expected in our general business and economic conditions until the State and Federal budgets are put in balance and certain regulatory, confidence-destroying, and otherwise harmful laws and governmental policies are removed. This accomplished, private loans would gradually take the place of Government obligations in the portfolios of the banks; and this would be a most healthy change for the banks, the Government, and the general public.

Mr. Speaker, I believe the present Congress will try to correct any harmful laws that have been passed and will endeavor to secure a job for every man in this country. That is the most important thing confronting us today and I am going to suggest that you give it some of your time and study. I suggest the Wagner Act be one of the first to be considered, the N. L. R. B.

I have before me a survey made by Factory Management and Maintenance, which sent out a questionnaire to 1,500 business people in this country.

Mr. Speaker, at this time I ask unanimous consent to insert in the RECORD a part of this survey, the replies thereto, and a letter from the editor to me.

The SPEAKER pro tempore (Mr. SCHULTE). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The matter referred to is as follows:

FACTORY MANAGEMENT AND MAINTENANCE,  
New York, N. Y., January 6, 1939.

Representative ROBERT F. RICH,  
House Office Building, Washington, D. C.

DEAR CONGRESSMAN RICH: Factory Management and Maintenance has recently completed a survey, the first of its kind, designed to determine the opinion of men engaged in industrial plant management concerning the Wagner National Labor Relations Act and the Labor Board.

The survey was Nation-wide in scope and, I think, completely representative. It shows that management men are not opposed on principle to the organization of employees by unions, and that they believe there is a need for legislation to safeguard the organizing rights of labor. But the survey shows also how completely dissatisfied are these men, experienced in the actual workings of the law, with the present act and the existing Board. By a ratio of 40 to 1, they recommend a substantive change in the act and by 8 to 1 a drastic change in the Board itself.

For your interest and information, I inclose a preprint of the article summarizing the results of the survey. I believe you will be impressed by its factual content, and I wish to call your attention especially to pages 44, 45, and 46, on which are reported the opinions of The Experience Group, composed solely of those who have had actual dealings with the Labor Board.

Very truly yours,

L. C. MORROW, Editor.

#### FACTORY BALLOT

(Please check yes or no)

	Yes	No
1. Do you think the Wagner Act has benefited—		
a. Industry? .....	107	*1,303
b. Labor? .....	563	865
c. The public? .....	117	1,279
2. Do you think there is a basic need for a law to safeguard the organizing rights of labor? .....	1,024	413
3. Have you had occasion to deal with labor under the act? .....	637	748
a. Were complaints filed against your firm with N. L. R. B.? .....	391	776
b. Were hearings held before the N. L. R. B. examiner? .....	226	819
c. Did you have a strike? .....	247	801
d. In any of the above cases, do you feel you were fairly treated by N. L. R. B.? .....	111	294
e. Do you think there would have been a labor dispute in your plant if there had been no Wagner Act? .....	64	776

\* Results are based on a total of 1,500 ballots. That votes on a given question do not add up to 1,500 is explained by the fact that not everyone voted on every question.

	Yes	No
4. (Answer 1 only, please) Do you think the act should be—		
a. Amended?-----	951	----
b. Repealed?-----	293	----
c. Unchanged?-----	13	----
5. Regardless of your answer to question 4, do you favor the following proposed amendments to the act:		
a. To prohibit unions from threatening or forcing men to join them?-----	1,455	36
b. To allow employers to advise employees, by letter, in conversation, or in the press, against joining unions, providing no threats are used?-----	1,206	255
c. To revise the Labor Board set-up with 2 distinct branches, one to prosecute cases and one to judge?-----	1,262	131
d. To include on the Labor Board equal representation of labor, management, and the public?-----	1,419	46
e. To allow employers, as well as unions, to request the Labor Board to hold plant elections?-----	1,446	35
f. To require both employers and employees to sign contracts when an agreement is reached and to provide penalties for breach of such contracts?-----	1,317	149
g. To prohibit the Labor Board from conciliating labor disputes?-----	926	437
h. To permit strikes to be called only after a majority of all employees have voted by secret ballot to strike?-----	1,378	82
i. To exempt an employer from the obligation to bargain, for a period of 1 year, with a labor organization if the employer can show before the Labor Board:		
1. That the real issue in the dispute is:		
a. The closed shop?-----	1,193	191
b. The violation of an existing contract?-----	1,093	214
2. That the organization is engaged in or has within 1 year been engaged in:		
a. A general strike?-----	982	306
b. A sit-down strike?-----	1,176	143
c. Repeated or systematic acts of violence or destruction of property?-----	1,216	105
6. Are you opposed on principle to the organization of employees by unions?-----	238	1,229
	(A.F.L.)	(C.I.O.)
7. Given your choice would you rather deal with the craft (A. F. L.) or the industrial (C. I. O.) type of union?-----	1,022	202
8. If the appointive power were yours, would you continue the service on the Labor Board of—		
Chairman J. Warren Madden?-----	Yes 123	No 725
Edwin S. Smith?-----	76	750
Donald W. Smith?-----	78	753
Your regional director?-----	179	575
	Percent	Percent
Has the act helped industry?-----	8	92
Has it helped labor?-----	40	60
Has it helped the public?-----	8	92
Is there a basic need for a law to protect labor's right to organize?-----	71	29
Are you opposed to unionization?-----	16	84
	(A.F.L.)	(C.I.O.)
Would you rather deal with craft (A. F. L.) or industrial (C. I. O.) unions?-----	83.3	16.7

Mr. RICH. This survey suggests strongly the need of a change. It is most imperative that we act and at the earliest possible moment.

Mr. SIROVICH. Will the gentleman yield?

Mr. RICH. I yield to the gentleman from New York.

Mr. SIROVICH. I am interested in the remarks of the gentleman, particularly so far as the national debt of our country is concerned. May I call his attention to the fact, however, that Great Britain incurred a stupendous debt on account of the Napoleonic wars in 1815, just 125 years ago? Since the adoption of that debt in 1815, Great Britain has not repaid it up to the present time, and her financial stability and standing is respected throughout the world. The same thing will apply to the colossal debt of the United States of almost \$39,000,000,000. In time we shall repay this obligation the same as Great Britain has been doing for the past 125 years.

Mr. RICH. The gentleman from New York [Mr. SIROVICH] has propounded a most interesting question. If, in 125

years, Great Britain has not repaid the debt contracted in 1815, it may take the United States a century or two to make good the obligations it has incurred in the World War, as well as the tremendous amount of money that has accumulated as a result of the deficit during the Roosevelt administration, which has brought our national debt to almost \$40,000,000,000. If Great Britain and our other allies to whom we loaned money during the World War and after the World War, would repay the rightful obligations they owe us, \$12,000,000,000 could be subtracted from our national debt. I believe that international decency demands that Great Britain, France, and all other nations to whom we loaned money should repay their debts to us.

[Here the gavel fell.]

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore. The gentleman from Montana [Mr. THORKELOSON] has permission to address the House. Is the gentleman's request satisfactory to the gentleman from Montana [Mr. THORKELOSON]?

Mr. THORKELOSON. It is satisfactory to me.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. RICH]?

There was no objection.

Mr. CRAWFORD. Will the gentleman yield?

Mr. RICH. I yield to the gentleman from Michigan.

Mr. CRAWFORD. The gentleman quoted from the annual report of a bank. If I understand the gentleman correctly, the president of this bank said that they buy Government bonds because the market is denuded of commercial paper, is that correct?

Mr. RICH. That is right.

Mr. CRAWFORD. There is no commercial paper being created by industrial employment because of the fear of Government rules, regulations, and the legislation enacted by the Congress?

Mr. RICH. That is right.

Mr. CRAWFORD. Now, did I understand the gentleman to say that he believes this Congress is going to repeal or modify a lot of laws and remove this difficulty?

Mr. RICH. I am hopeful this Congress will repeal some of the acts passed during the last 4 years, thereby restoring confidence to the business people of this country so that an opportunity may be had for men to go into business. If the Congress does this, there will be an opportunity for men in business to put additional capital into their business, which will thereby create additional jobs for those men who are unemployed. Business will put 200 to work for 1 in the New Deal way on Government pay roll. If we build up this atmosphere in the minds and in the hearts of the people of this country who desire to go ahead, we will raise the national income to \$80,000,000,000, and it will not be done recklessly through the expenditure of Government money. [Applause.]

Mr. CRAWFORD. Has the gentleman taken the time to study even briefly the financial statements published by all the banks of the United States as of December 31, and when I say "all the banks," I mean just those banks that published statements on December 31, showing their holdings of Government bonds?

Mr. RICH. I did not make a particular study of that phase of the statement, but I know the banks now hold the largest amount of Government securities they have ever held at any one time.

Mr. CRAWFORD. In round figures, it is \$18,000,000,000.

Has the gentleman also noticed that as new issues of Government securities have come out the banks in recent weeks have pushed the price of some of the bonds up to \$114 on a \$100 bond in an attempt to get a security that will pay just a little bit of interest and give some income to the banks? If that is to be our situation, what will happen when the market price of Government bonds breaks, which necessarily must occur if money goes back into private industry and we start to build toward an \$80,000,000,000 income, and the people start running away from Government bonds as they



are now running to them? When that time comes the banks will lose by the billions.

Mr. RICH. Any banker who is paying a premium on Government bonds today is a very foolish banker, in my judgment.

Mr. CRAWFORD. They are all doing it, and the gentleman's bank is doing it.

Mr. RICH. Now, be careful. We are trying to keep away from that.

Mr. CRAWFORD. The gentleman's bank is doing it.

Mr. RICH. If I have any influence in any bank with which I am associated, I say, "Watch that \$2,000,000,000 you have given the President and Mr. Morgenthau to hold up the price of bonds because whenever they spend all that money look out, boys, the roof is going to fall in," and they are careful.

Mr. SIROVICH. Mr. Speaker, will the gentleman yield for a brief question?

Mr. RICH. You gentlemen are not going to let me talk at all about the National Labor Relations Board.

Mr. SIROVICH. I will get the gentleman more time.

Mr. RICH. All right.

Mr. SIROVICH. Now that the gentleman has answered the distinguished gentleman from Michigan, will the gentleman please inform the House whether or not the banks of this country are in better financial condition today than they were in 1932?

Mr. RICH. The gentleman from New York would have me believe that just because the banks have a lot of Government bonds they can turn into cash and are in a more liquid position they are in better financial condition. Insofar as liquidity is concerned, that is true, but what is the value of a Government obligation today? Let me call your attention to the old German mark I hold in my hand, which in the time of Kaiser Wilhelm was worth 24 cents. This is a 100-mark note, and you know that when Germany repudiated her debts I could have secured a wagonload of these for 24 cents. They were not worth the paper they were written on. How do you know the bonds or the paper money of this country will be worth any more than the German marks if we do not try to keep the Government on a sound financial basis? That is what is worrying me. [Applause.]

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield further?

Mr. RICH. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Would the gentleman prefer to have \$52,000,000,000 of deposits in the banks, which is the situation today, and no industry, or have a lot of industry going on with a much smaller amount of deposits in the banks?

Mr. RICH. I would rather have the industries of this country in full operation manufacturing the things the people of this country want. I would rather have our farmers busy raising our own produce, rather than have reciprocal-trade agreements which allow large quantities of commodities to be brought in from foreign countries. This is the first thing I would like to have so we can give the people of this country work. I want a job for our people, so they can get off the dole and earn an honest American livelihood.

[Here the gavel fell.]

The SPEAKER pro tempore. Under a previous special order of the House, the gentleman from Montana [Mr. THORKEKELSON] is recognized for 10 minutes.

Mr. THORKEKELSON. Mr. Speaker, I have been sitting here quietly for about 3 weeks listening to discussions dealing with many problems which concern the fundamental basis of the Government under which we live. I am not speaking to you as a lawyer or as a politician, and I care nothing about the Republican or the Democratic Party. I am here having been elected by the people of Montana to represent the people of Montana and not any political party.

Congress is selected by the people to represent the people and to confine itself within the Constitution as it was handed to it by the people of this great country of ours. If you will

read the first paragraph of the Constitution, you will find this:

All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.

If you will read the last paragraph in section 8, you will find this:

To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof.

The tenth amendment to the Constitution reads as follows:

The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people.

Further, in order that there shall be no invasion of such rights, the people say in the ninth amendment to the Constitution:

The enumeration in the Constitution of certain rights shall not be construed to deny or disparage others retained by the people.

These are some of the rights the people have reserved for themselves. Congress is not here to propose its own ideas with respect to the Constitution. You Members of Congress are here simply to confine yourselves within the provisions of the Constitution of the United States.

Who are the people? The people are composed of those engaged in industry, commerce, business, labor, agriculture, the professions, and all other earning groups. They are the people, and you have no right to enforce your views on them, because the Constitution belongs to the people and not to Congress. The Constitution is the fundamental law upon which all legislation must be based. It must not be based upon the personal opinions of Members of Congress or anyone else.

I know that this has not been adhered to by any Congress. It is not a question of blaming the Republican Party or the Democratic Party or President Roosevelt or President Hoover. Those who are responsible for the conditions facing us today are the majority in Congress; it makes no difference whether we be Republicans or Democrats, because we are the ones who pass the bills, and we must not forget that. [Applause.]

Many laws have been passed that are clearly unconstitutional, and I want the Members of Congress to know this whether they like it or not. We must confine ourselves to the Constitution and the power delegated to Congress by it. The Supreme Court passes only on the constitutionality of the legislation we enact. Congress and the Supreme Court are subservient to the people. Under the Constitution, neither has the right to pass any law unless it comes within constitutional limitations. I say this has not always been followed by the Supreme Court of the United States.

In 1934 Congress passed the Gold Reserve Act, in which the gold was recalled from circulation and taken over by the Federal Government. I want you to know that that gold belongs to the people and is their property, just as much as a house is property. When Congress enacted a law that deprived the people of the very property they had earned, that they had dug out of the ground with their fingers, it did something that is clearly not within the Constitution of the United States; and it was not living up to its obligation to preserve, protect, and defend the Constitution of the United States.

I want to speak about something else before closing, because I shall have something more to say later on.

In the same Gold Reserve Act you set aside \$2,000,000,000 which was to represent the increment on the gold when its value was reduced from 25.8 to 15.25 grains of gold nine-tenths fine, and you gave that \$2,000,000,000 to the President of the United States and to the Secretary of the Treasury to be used in any manner they cared to use it. That was all right, but you said in that act that no officer of the United

States could ask for an accounting of the \$2,000,000,000. You had no right to do that.

In section 9 of the Constitution you will find that—

No money shall be drawn from the Treasury but in consequence of appropriations made by law; and a regular statement and account of the receipts and expenditures of all public money shall be published from time to time.

What right did you or what right did the Supreme Court have to pass a bill that absolutely denied the right of the people to an accounting for that \$2,000,000,000, as is clearly provided for in the Constitution?

I have no animosity or ill feeling toward the Democrats, because I like them, and I like the Republicans as well, naturally, because I do belong to the Republican Party. But as a Representative of the people of Montana I want you to know that when I sit here in Congress I represent with all of you the 48 States of the Union, and we cannot do anything for one State or for the benefit of one State without hurting the others, and this is a point we must bear in mind.

I do not want to go into any lengthy discussion now, because I shall speak about this later on; but I want you to think this over. We must get back to the foundation upon which our Government is built, and that foundation is the Constitution of the United States.

You have established about 75 private corporations by specific acts of Congress, and I would like to be informed of any provision of the Constitution that has given you the right to create corporations by specific acts of Congress. I want you to tell me that. [Applause.]

[Here the gavel fell.]

#### EXTENSION OF REMARKS

Mr. SMITH of Connecticut. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include extracts from a radio speech made by Senator MALONEY, of Connecticut, concerning the work of the W. P. A. men at the time of the hurricane and flood of 1938.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

#### LEAVE TO ADDRESS THE HOUSE

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent that on Wednesday next, following the remarks of the gentleman from Colorado [Mr. CUMMINGS], I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. COOPER. Mr. Speaker, I ask unanimous consent that after the disposition of the legislative program for the day and any other special orders heretofore entered, that the gentleman from Pennsylvania [Mr. EBERHARTER] may be permitted to address the House for 10 minutes on Wednesday next.

The SPEAKER. Is there objection?

There was no objection.

#### EXTENSION OF REMARKS

Mr. CULKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to include therein an address made by myself before the bar association in my district.

The SPEAKER. Is there objection?

There was no objection.

Mr. CANNON of Florida. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to include therein a statement made by myself on January 4 last.

The SPEAKER. Is there objection?

There was no objection.

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to include therein a brief extract from a statement made by James Truslow Adams in regard to the Library of Congress.

The SPEAKER. Is there objection?

There was no objection.

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Mr. SUMNERS of Texas asked and was granted leave to extend his own remarks in the Record.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. LARRABEE, for 2 days, on account of important business.

#### ADJOURNMENT

Mr. COOPER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock p. m.) the House, under its order previously entered, adjourned until Wednesday, January 18, 1939, at 12 o'clock noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

266. A letter from the Attorney General, transmitting a report to show the special assistants employed for the period July 1, 1938, to January 1, 1939, under the appropriation "Pay of special assistant attorneys, United States courts"; to the Committee on Expenditures in the Executive Departments.

267. A letter from the Secretary of War, transmitting the draft of a proposed bill to amend and clarify the provisions of the act of June 15, 1936 (49 Stat. 1507); to the Committee on Military Affairs.

268. A letter from the Acting Secretary of the Interior, transmitting one copy of legislation passed by the Municipal Council of St. Thomas and St. John, and approved by the Governor of the Virgin Islands; to the Committee on Insular Affairs.

269. A letter from the Acting Secretary of Agriculture, transmitting a report of activities conducted by the United States Department of Agriculture with funds provided for the control of incipient and emergency outbreaks of insect pests and plant diseases; to the Committee on Agriculture.

270. A letter from the Acting Secretary of the Interior, transmitting the draft of a proposed bill to authorize the payment of attorneys' fees from Osage tribal funds; to the Committee on Indian Affairs.

271. A letter from the Attorney General, transmitting the draft of a proposed bill to amend the White Slave Traffic Act in respect of women and girls under 18 years of age; to the Committee on Interstate and Foreign Commerce.

272. A letter from the American Academy of Arts and Letters, transmitting the report of the American Academy of Arts and Letters for the year 1938; to the Committee on the Library.

273. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 30, 1938, submitting a report, together with accompanying papers, on reexamination of Southeast Branch of Fox Creek, Md., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted December 8, 1937; to the Committee on Rivers and Harbors.

274. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated January 3, 1939, submitting a report, together with accompanying papers, on a preliminary examination and survey of channel at Knappton, Wash., authorized by the River and Harbor Act approved August 26, 1937; to the Committee on Rivers and Harbors.

275. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated January 3, 1939, submitting a report, together with accompanying papers, on a preliminary examination and reexamination of San Joaquin River near Werner Cut, Contra Costa County, Calif., authorized by the River and Harbor Act approved August 26, 1937, and requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted May 21, 1937; to the Committee on Rivers and Harbors.

276. A letter from the District of Columbia tax study, transmitting the report of the District of Columbia tax study



(H. Doc. No. 108); to the Committee on the District of Columbia and ordered to be printed.

277. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 30, 1938, submitting a report, together with accompanying papers and an illustration, on a survey of Northport Harbor, N. Y., authorized by the River and Harbor Act approved August 26, 1937 (H. Doc. No. 109); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

278. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 30, 1938, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Bayou Galere (Legare), Miss., at mouth of Jordan River, and Watts Bayou, Hancock County, Miss., authorized by River and Harbor Acts approved August 26, 1937, and June 20, 1938 (H. Doc. 112); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

279. A letter from the Comptroller of the Currency, transmitting the text of the Annual Report of the Comptroller of the Currency for the year ended October 31, 1938; to the Committee on Banking and Currency.

280. A letter from the Secretary of Commerce, transmitting a statement showing names, nature of services, cost, and other data in connection with the special statistical studies made under the act of May 27, 1935; to the Committee on Expenditures in the Executive Departments.

281. A letter from the Postmaster General, transmitting the cost-ascertainment report and appendix for the fiscal year 1938; to the Committee on the Post Office and Post Roads.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of Pennsylvania:

H. R. 2635. A bill granting the consent of Congress to Westmoreland County, in the State of Pennsylvania, to construct, maintain, and operate a free highway intercounty bridge and approaches across the Allegheny River, connecting Valley Camp in Westmoreland County and East Deer Township in Allegheny County, to connect State Highway routes Nos. 28 and 56; to the Committee on Interstate and Foreign Commerce.

By Mr. BOLAND:

H. R. 2636. A bill to amend section 327 of the Liquor Tax Administration Act, approved June 26, 1936, to permit an allowance for breakage and leakage in brewery bottling operations; to the Committee on Ways and Means.

By Mr. CALDWELL:

H. R. 2637. A bill to facilitate production of timber on lands within the national forests of Florida; to the Committee on Agriculture.

By Mr. CELLER:

H. R. 2638. A bill to require filing by certain persons of data concerning assets of foreign corporations and entities in default of payment of interest and/or principal on its securities held in the United States and to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. CONNERY:

H. R. 2639. A bill to establish a system of longevity pay for postal employees; to the Committee on the Post Office and Post Roads.

By Mr. DIMOND:

H. R. 2640. A bill to increase the pay of post-office employees in the Territory of Alaska; to the Committee on the Post Office and Post Roads.

H. R. 2641. A bill to exempt from the provisions of Draft Convention No. 53, of the International Labor Conference Treaty of 1936, all American vessels under 200 tons; to the Committee on Merchant Marine and Fisheries.

H. R. 2642. A bill to amend the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936, and for other purposes; to the Committee on the Civil Service.

By Mr. FADDIS:

H. R. 2643. A bill to provide for the common defense by acquiring stocks of strategic and critical raw materials, concentrates, and alloys essential to the needs of industry for the manufacture of supplies for the armed forces and the civilian population in time of a national emergency, and for other purposes; to the Committee on Military Affairs.

H. R. 2644. A bill to amend the act entitled "An act to provide for the protection and preservation of domestic sources of tin," approved February 15, 1936; to the Committee on Military Affairs.

By Mr. FISH:

H. R. 2645. A bill to regulate the formation and activities of private military forces in the United States, and for other purposes; to the Committee on Military Affairs.

By Mr. JARMAN:

H. R. 2646. A bill to provide permanent and total disability rating in active pulmonary tuberculosis cases; to the Committee on World War Veterans' Legislation.

By Mr. PIERCE of Oregon:

H. R. 2647. A bill to amend the act entitled "An act to provide for rural electrification, and for other purposes," approved May 20, 1936; to the Committee on Interstate and Foreign Commerce.

H. R. 2648. A bill to provide for the further improvement of the Columbia and Snake Rivers in Oregon and Idaho; to the Committee on Rivers and Harbors.

H. R. 2649. A bill providing for the cancellation of certain charges against the Klamath drainage district, of Klamath County, Oreg., and charging such unpaid balance to the unentered public lands within the district; to the Committee on Irrigation and Reclamation.

By Mrs. ROGERS of Massachusetts:

H. R. 2650. A bill to amend Veterans Regulation No. 6 (a), as amended, to authorize hospital care and treatment for American veterans residing in foreign countries, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. ROBINSON of Utah:

H. R. 2651. A bill to prevent the retroactive application of any Federal tax upon the employees of the States and their instrumentalities; to the Committee on Ways and Means.

By Mr. MARTIN of Colorado:

H. R. 2652. A bill to appropriate the sum of \$195,525,500 for the construction of flood-control projects under the National Flood Control Act of 1936 and amendments thereto; to the Committee on Appropriations.

By Mr. COFFEE of Washington:

H. R. 2653. A bill to authorize acquisition of complete title to the Puyallup Indian tribal school property at Tacoma, Wash., for Indian sanatorium purposes; to the Committee on Indian Affairs.

H. R. 2654. A bill authorizing the payment of necessary expenses incurred by certain Indians allotted on the Quinalt Reservation, State of Washington; to the Committee on Indian Affairs.

By Mr. BURDICK:

H. R. 2655. A bill providing for the cancellation of certain feed and seed loans heretofore made by the United States Government, and providing for an appropriation therefor under the provisions of the War Department appropriation act, and providing for an annual appropriation in the War Department appropriation act to provide seed and feed for farmers residing in blighted areas and victims of drought, flood, or other calamities over which they have no control; to the Committee on Agriculture.

By Mr. CONNERY:

H. R. 2656. A bill to protect American labor, to insure employment opportunities for America's workers, to increase the purchasing power of America's farmers, to provide mar-

kets for the products of America's workers and America's farmers, to relieve the distress created through the entry into American markets of articles, goods, or commodities, the products of foreign workers, at total landed costs (including the payment of tariff duties, if any) which are less than the costs of production of similar or comparable articles, goods, or commodities, the products of America's workers and America's farmers; to the Committee on Ways and Means.

H. R. 2657. A bill to create a United States Civil Service Board of Appeals; to the Committee on the Civil Service.

By Mr. FISH:

H. R. 2658. A bill to assure to persons within the jurisdiction of every State due process of law and equal protection of the laws, and to prevent the crime of lynching; to the Committee on the Judiciary.

By Mr. ENGLEBRIGHT:

H. R. 2659. A bill to add certain land to the Shasta National Forest, Calif.; to the Committee on the Public Lands.

By Mr. SIROVICH:

H. R. 2660. A bill relative to limitation of shipowners' liability; to the Committee on Merchant Marine and Fisheries.

By Mr. PIERCE of New York:

H. R. 2661. A bill to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y.; to the Committee on Interstate and Foreign Commerce.

By Mr. HORTON:

H. R. 2662. A bill to provide for the extension of certain oil and gas prospecting permits issued under the act of Congress entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on public domain," approved February 25, 1920 (41 Stat. 437; U. S. C., title 30, secs. 185, 223), as amended; to the Committee on the Public Lands.

H. R. 2663. A bill to amend an act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain," approved February 25, 1920 (41 Stat. 437; U. S. C., title 30, secs. 185, 223), as amended; to the Committee on the Public Lands.

By Mr. GOLDSBOROUGH:

H. R. 2664. A bill to provide suitable rooms and accommodations for holding terms of the district court of the United States in the Federal building to be constructed in Denton, Md.; to the Committee on the Judiciary.

By Mr. WHELCHER:

H. R. 2665. A bill to provide increases in clerical allowances at certain offices of the third class, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. DWORSHAK:

H. R. 2666. A bill to provide for the general welfare by establishing a system of Federal benefits and by enabling the several States to make more adequate provision for the control and the eradication of noxious weeds; to conserve and protect the agricultural resources of the several States and of the United States; to empower the Secretary of Agriculture to make certain rules and regulations and prescribe conditions; to raise revenue; and for other purposes; to the Committee on Agriculture.

By Mr. TINKHAM:

H. R. 2667. A bill to provide for the construction of an interoceanic ship canal of lock design connecting the waters of the Atlantic and Pacific Oceans; to the Committee on Merchant Marine and Fisheries.

By Mr. MAAS:

H. J. Res. 111. Joint resolution creating a special joint congressional committee to be known as the Joint Committee on National Defense; to the Committee on Rules.

By Mr. TINKHAM:

H. J. Res. 112. Joint resolution to create a commission to study and report on the feasibility of constructing the Mexican Canal; to the Committee on Merchant Marine and Fisheries.

## MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Vermont, memorializing the President and the Congress of the United States to consider their House Joint Resolution No. 6, with reference to the sovereignty over the land and natural resources of the State of Vermont; to the Committee on Flood Control.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BALL:

H. R. 2668. A bill granting an increase of pension to Annie Tooker; to the Committee on Pensions.

By Mr. BURDICK:

H. R. 2669. A bill for the relief of Morgan Decorating Co.; to the Committee on Claims.

By Mr. CHAPMAN:

H. R. 2670. A bill granting a pension to Parish Graham; to the Committee on Invalid Pensions.

By Mr. CONNERY:

H. R. 2671. A bill for the relief of Anna McCarthy; to the Committee on Pensions.

H. R. 2672. A bill for the relief of Paul Edmond Beliveau; to the Committee on Pensions.

H. R. 2673. A bill for the relief of Edward A. Everett; to the Committee on Naval Affairs.

By Mr. DIES:

H. R. 2674. A bill granting a pension to Samuel Harris; to the Committee on Pensions.

By Mr. DUNCAN:

H. R. 2675. A bill granting an increase of pension to Rose A. Pettigrew; to the Committee on Invalid Pensions.

By Mr. EATON of California:

H. R. 2676. A bill granting a pension to Emma Grannis; to the Committee on Invalid Pensions.

H. R. 2677. A bill granting a pension to Pauline M. Ridgman; to the Committee on Pensions.

By Mr. ENGLEBRIGHT:

H. R. 2678. A bill granting a pension to Fordyce Tucker; to the Committee on Pensions.

By Mr. GARTNER:

H. R. 2679. A bill for the relief of William Henry Savage; to the Committee on Pensions.

H. R. 2680. A bill for the relief of James Moffitt; to the Committee on Pensions.

By Mr. HESS:

H. R. 2681. A bill granting an increase of pension to Alice D. Stayton; to the Committee on Pensions.

By Mr. HOUSTON:

H. R. 2682. A bill granting a pension to Hattie Caldwell; to the Committee on Invalid Pensions.

By Mr. KUNKEL:

H. R. 2683. A bill granting a pension to Jennie R. Ogden; to the Committee on Pensions.

By Mr. MOTT:

H. R. 2684. A bill for the relief of Emma Knutson; to the Committee on Immigration and Naturalization.

By Mr. MERRITT:

H. R. 2685. A bill to authorize the cancelation of deportation proceedings in the case of Guiseppe Belviso; to the Committee on Immigration and Naturalization.

By Mr. McANDREWS:

H. R. 2686. A bill for the relief of Sam Chinisci; to the Committee on Military Affairs.

By Mr. PACE:

H. R. 2687. A bill for the relief of Elbert R. Miller; to the Committee on War Claims.

By Mr. ROBINSON of Utah:

H. R. 2688. A bill for the relief of Chris Barkas and Mabel Barkas; to the Committee on Claims.



By Mr. RUTHERFORD:

H. R. 2689. A bill granting a pension to Corillia Silver; to the Committee on Invalid Pensions.

By Mr. SNYDER:

H. R. 2690. A bill granting a pension to Milton Warner; to the Committee on Invalid Pensions.

H. R. 2691. A bill granting a pension to Agnes E. Kimmell; to the Committee on Invalid Pensions.

H. R. 2692. A bill granting a pension to Grace Alberta Schrock; to the Committee on Pensions.

H. R. 2693. A bill granting an increase of pension to Lovina Baumgardner; to the Committee on Invalid Pensions.

By Mr. TINKHAM:

H. R. 2694. A bill authorizing the President of the United States to reinstate Wallace F. Safford to the position and rank of captain in the Army of the United States; to the Committee on Military Affairs.

By Mr. VAN ZANDT:

H. R. 2695. A bill for the relief of Kenneth B. Clark; to the Committee on Claims.

H. R. 2696. A bill granting a pension to Laura Dively; to the Committee on Invalid Pensions.

By Mr. VINCENT of Kentucky:

H. R. 2697. A bill for the relief of Ruth Steward, administratrix of the estate of Luther F. Steward; to the Committee on Claims.

By Mr. WILLIAMS of Missouri:

H. R. 2698. A bill granting a pension to Mary M. Norris; to the Committee on Invalid Pensions.

H. R. 2699. A bill granting a pension to Annie Rhodes; to the Committee on Invalid Pensions.

H. R. 2700. A bill granting a pension to Ella Strutton; to the Committee on Invalid Pensions.

H. R. 2701. A bill granting an increase of pension to Mary E. Ward; to the Committee on Invalid Pensions.

H. R. 2702. A bill granting a pension to Nancy V. Mosher; to the Committee on Invalid Pensions.

H. R. 2703. A bill granting a pension to Frances E. Newton; to the Committee on Invalid Pensions.

H. R. 2704. A bill granting a pension to Mary E. McComber; to the Committee on Invalid Pensions.

H. R. 2705. A bill granting an increase of pension to Ida Nagel; to the Committee on Invalid Pensions.

H. R. 2706. A bill granting a pension to Ruah L. Martin; to the Committee on Invalid Pensions.

H. R. 2707. A bill granting a pension to Malisa Maze; to the Committee on Invalid Pensions.

H. R. 2708. A bill granting a pension to Sarah K. Copeland; to the Committee on Invalid Pensions.

H. R. 2709. A bill granting a pension to Emma Knight; to the Committee on Invalid Pensions.

H. R. 2710. A bill granting a pension to Margaret F. Wilson; to the Committee on Invalid Pensions.

H. R. 2711. A bill granting a pension to Eddie Bassett; to the Committee on Invalid Pensions.

H. R. 2712. A bill granting a pension to Nan A. Benson; to the Committee on Invalid Pensions.

H. R. 2713. A bill granting a pension to Oscar James Callier; to the Committee on Invalid Pensions.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

203. By Mr. BALL: Petition of citizens of New London, Conn., favoring the general policy of neutrality as set forth in the act of August 31, 1935, and the act of May 1, 1937; to the Committee on Foreign Affairs.

204. By Mr. CHIPERFIELD: Petition of the Townsend Club of Clayton, Ill., urging that the Townsend bill be brought on the floor for discussion; to the Committee on Ways and Means.

205. By Mr. DEROUEN: Petition of the board of directors of the Louisiana Coalition of Patriotic Societies, Inc., urging the continuance of the Dies committee investigating un-American activities, etc.; to the Committee on Rules.

206. By Mr. GERLACH: Petition of sundry citizens of Lehigh County, Pa., urging adherence to the general policy of neutrality as set forth in the act of May 1, 1937, and extension of the act to include civil as well as international conflicts; to the Committee on Foreign Affairs.

207. By Mr. GEYER of California: Resolution of the Maritime Federation of the Pacific, Bruce Hannon, secretary-treasurer, pointing out that a United States marine hospital should be constructed in San Pedro, Calif.; to the Committee on World War Veterans' Legislation.

208. By Mr. HAWKS: Petition carrying the signatures of 150 residents of Waukesha County, Wis., protesting against any change in our present policy of neutrality; to the Committee on Foreign Affairs.

209. By Mr. MARSHALL: Petition of St. Edward's Rectory, Cleveland, Ohio, relative to the lifting of the embargo on arms by eliminating the principle enunciated in the act of May 1, 1937, by which civil as well as international conflict is involved; to the Committee on Foreign Affairs.

210. By Mr. PLUMLEY: Petition of Rev. F. E. McDonough and 15 other residents of Montpelier, Vt., petitioning the Congress to retain provisions of the act of May 1, 1937; to the Committee on Foreign Affairs.

211. Also, petition of Burlington (Vt.) Branch, American Association of University Women (50 members), to the Congress to support revision of the present neutrality law; to the Committee on Foreign Affairs.

212. Also, a petition of the Ave Maria Circle, No. 128, Daughters of Isabella, Ellen F. MacKinnon, recording secretary, of Brattleboro, Vt., urging Congress to retain the embargo on arms and to investigate leftist and communistic groups in the United States; to the Committee on Foreign Affairs.

213. By Mr. RODGERS of Pennsylvania: Petition of certain citizens of Union City, Pa. (Townsend Club No. 1), favoring the enactment of the general welfare bill (H. R. 2); to the Committee on Ways and Means.

214. Also, petition of certain citizens of the city of Erie, Pa., and of Erie and Crawford Counties, Pa., favoring the policy of neutrality as enunciated in the act of August 31, 1935, and also the act of May 1, 1937, etc.; to the Committee on Foreign Affairs.

215. Also, petition of certain citizens of the city of Erie, city of Meadville, and of Erie and Crawford Counties, Pa., favoring the policy of neutrality as enunciated in the act of August 31, 1935, and also the act of May 1, 1937, etc.; to the Committee on Foreign Affairs.

216. By Mr. SCHIFFLER: Petition of the officers and members of Local Union No. 4021, with a membership of 750, protesting against the adoption of any amendments to the Wagner Relations Act at this time; to the Committee on Labor.

217. Also, petition of Richard Flanagan and 48 citizens of Grafton, W. Va., protesting against any changes in the Neutrality Act; to the Committee on Foreign Affairs.

218. By Mr. SECCOMBE: Petition of members of the Adult Bible Class of the Union Church of Fredericksburg, Ohio, headed by Mrs. Edward E. Braid, urging that Congress, in the interest of world peace, enact legislation forbidding trade between the United States and the aggressor in any military or naval conflict throughout the world; to the Committee on Foreign Affairs.

219. By Mr. TERRY: Memorial of the Senate of the Fifty-second General Assembly of the State of Arkansas, assembled in regular session, the house of representatives concurring therein, that the Arkansas delegation in the Congress support wholeheartedly the President's program of defense; to the Committee on Appropriations.

220. Also, Concurrent Resolution No. 2, of the Arkansas State Senate, petitioning Congress to enact legislation to provide Federal grants for educational purposes in accordance with the recommendations of the report of the President's Advisory Committee on Education; to the Committee on Education.

221. By Mr. VAN ZANDT: Petition of Mrs. H. J. Dooley and others of Bellwood, Pa., urging the passage of legislation

which will stop, so far as is possible by Federal law, the great advertising campaign for the sale of alcoholic beverages now going on by press and radio; to the Committee on Interstate and Foreign Commerce.

222. Also, petition of Mrs. W. F. Balsbach, of Bellwood, Pa., and others of Blair County, Pa., urging the passage of legislation which will stop, so far as is possible by Federal law, the great advertising campaign for the sale of alcoholic beverages now going on by press and radio; to the Committee on Interstate and Foreign Commerce.

223. By Mr. VORYS of Ohio: Petition of Cecilia Reeb and 87 others, of Columbus, Ohio, petitioning Congress to adhere to the general policy of neutrality as enunciated in the act of August 31, 1935, and also to retain on our statute books the corollary principle of the same act and to extend the original act to include civil as well as international conflicts; and also urging Congress to launch an investigation of those leftist groups which are sponsoring propaganda favoring the lifting of the embargo on arms to "red" Spain; to the Committee on Foreign Affairs.

224. By Mr. VAN ZANDT: Petition of the Catholic Daughters of America, of Clearfield, Pa., urging the adherence by the United States to the Neutrality Acts of August 31, 1935, and May 1, 1937; to the Committee on Foreign Affairs.

225. By the SPEAKER: Petition of the United Federal Workers of America, Washington, D. C., petitioning consideration of their petitions with reference to civil service; to the Committee on Appropriations.

226. Also, petition of the Alabama Road Builders' Association, Montgomery, Ala., petitioning consideration of their resolution dated December 5, 1938, with reference to highways; to the Committee on Roads.

227. Also, petition of Nicholas Martini, director of public works, Passaic, N. J., petitioning consideration of his resolution dated January 10, 1939, with reference to Works Progress Administration and relief; to the Committee on Ways and Means.

228. Also, petition of the Holy Name Society, St. Sebastian's Parish, Milwaukee, Wis., petitioning consideration of their petition with reference to neutrality; to the Committee on Foreign Affairs.

229. Also, petition of the National Society of the Sons of the American Revolution, Washington, D. C., petitioning consideration of their resolution with reference to the un-American activities in the United States; to the Committee on Rules.

230. Also, petition of the United Federal Workers of America, Local 50, Washington, D. C., petitioning consideration of their resolution with reference to Works Progress Administration; to the Committee on Appropriations.

231. Also, petition of the city of Royal Oak, Mich., petitioning consideration of their resolution with reference to the Dies committee; to the Committee on Rules.

## SENATE

TUESDAY, JANUARY 17, 1939

The Chaplain, Rev. ZēBarney T. Phillips, D. D., offered the following prayer:

Almighty God, our Heavenly Father, who lovest all and forgettest none, and who art always more ready to hear than we to pray: look upon us with Thy favor as at this, the beginning of another day, we commit ourselves unto Thee.

Do Thou so order our unruly wills and affections as to bring them into perfect harmony with Thy will; and we beseech Thee to direct and prosper all our consultations in behalf of our Nation that we may be delivered from all those sins that divide us, from class bitterness and race hatred, from greed and from the arbitrary love of power, from the fear of unemployment and the evils of overwork, from the luxury that enervates and the poverty that stultifies; and grant that universal justice, made radiant by Thy love, may be established among us for all generations. We ask it in the name of Jesus Christ our Lord. Amen.

### THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Monday, January 16, 1939, was dispensed with, and the Journal was approved.

### CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk (Emery L. Frazier) called the roll, and the following Senators answered to their names:

Adams	Donahay	King	Schwartz
Andrews	Downey	La Follette	Schwellenbach
Ashurst	Ellender	Lee	Sheppard
Austin	Frazier	Lodge	Shipstead
Bailey	George	Logan	Smith
Bankhead	Gerry	Lucas	Stewart
Barbour	Gibson	Lundeen	Taft
Barkley	Gillette	McCarran	Thomas, Okla.
Bilbo	Glass	McKellar	Thomas, Utah
Bone	Green	McNary	Tobey
Borah	Guffey	Maloney	Townsend
Bridges	Gurney	Mead	Truman
Brown	Hale	Minton	Tydings
Bulow	Harrison	Murray	Vandenberg
Burke	Hatch	Neely	Van Nuys
Byrd	Hayden	Norris	Wagner
Capper	Herring	Nye	Walsh
Chavez	Hill	O'Mahoney	Wheeler
Clark, Idaho	Holman	Pepper	White
Clark, Mo.	Holt	Pittman	Wiley
Connally	Hughes	Reed	
Danaher	Johnson, Calif.	Reynolds	
Davis	Johnson, Colo.	Russell	

Mr. MINTON. I announce that the Senators from Arkansas [Mrs. CARAWAY and Mr. MILLER] are absent attending the funeral of the late Representative Cravens, of Arkansas.

The Senator from South Carolina [Mr. BYRNES] is attending the inauguration of Governor Maybank, and will be unable to attend the session of the Senate today.

The Senator from Illinois [Mr. LEWIS], the Senator from Maryland [Mr. RADCLIFFE], and the Senator from New Jersey [Mr. SMATHERS] are detained from the Senate on important public business.

The Senator from Louisiana [Mr. OVERTON] is absent because of illness.

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

### SPECIAL ASSISTANT ATTORNEYS, DEPARTMENT OF JUSTICE

The VICE PRESIDENT laid before the Senate a letter from the Attorney General, transmitting, pursuant to law, a report for the period of July 1, 1938, to January 1, 1939, showing the special assistants employed under the appropriation, "Pay of special assistant attorneys," contained in the Department of Justice Appropriation Act, 1939, together with the rates of compensation, the amounts paid, and a description of their duties, which, with the accompanying report, was referred to the Committee on the Judiciary.

### REPORT ON WIRE OR RADIO SAFETY LEGISLATION

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Federal Communications Commission, reporting, pursuant to law, relative to proposed new wire or radio communication legislation to better insure safety of life and property, which was referred to the Committee on Interstate Commerce.

### EMPLOYMENT OF ALIENS BY GOVERNMENTAL AGENCIES

The VICE PRESIDENT laid before the Senate letters from the President of the Export-Import Bank of Washington and the Acting Chairman of the Federal Power Commission, stating, in response to Senate Resolution 285, agreed to June 8, 1938, that no aliens are employed by them, which were referred to the Committee on Education and Labor.

### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate letters and telegrams in the nature of memorials from sundry citizens of the States of Maryland, Michigan, and New York, remonstrating against lifting the embargo on the shipment of arms to Spain, which were referred to the Committee on Foreign Relations.